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Senate

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, as we approach this Father's Day weekend, we praise You that You are our Heavenly Father from whom we learn what true fatherhood really means. You exemplify the perfect blend of admonition and affirmation, discipline and nurture, encouragement and inspiration.

May this Father's Day be more than a celebration honoring fathers, but a day of calling fathers to their responsibility for the spiritual and character formation of their children. In this time of dropout dads and absentee fathers, when 21 million children in America live without a father in their homes, we ask You to instigate a father movement.

Bless the families of our land. Stir fathers who have abdicated their leadership. When fathers are silent about their faith, children miss the strength and courage of learning how to trust You with the ups and downs of life. We need a great spiritual awakening. Thank You for waking up the fathers of the land and for a Father's Day dedicated to the recovery of the role of strong fathers to love their wives and their children. Through our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the distinguished Senator from Tennessee, is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning the Senate will resume consideration of the Department of Defense authorization bill.

It is hoped that Members who wish to offer amendments to the defense bill will come to the floor during today's session to offer and debate their amendments under short time agreements.

The majority leader has announced that there will be no votes during today's session. Therefore, any votes ordered with respect to the DOD bill, or any other legislative or executive items, will be postponed to occur at a later date.

The leader would like to remind Members that the Independence Day recess is fast approaching and therefore the cooperation of all Members will be necessary to make progress on a number of important items, including appropriations bills, any available conference reports, the Higher Education Act, the DOD authorization bill, and any other legislative or executive items that may be cleared for action.

I thank my colleagues for their attention.

I yield the floor.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

The PRESIDENT pro tempore. The clerk will report the unfinished business.

The legislative clerk read as follows:

A bill (S. 2057) to authorize appropriations for the fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Feinstein amendment No. 2405, to express the sense of the Senate regarding the Indian nuclear tests.

Brownback amendment No. 2407 (to amendment No. 2405), to repeal a restriction on the provision of certain assistance and other transfers to Pakistan.

Mr. FRIST. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FRIST). Without objection, it is so ordered.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. I ask unanimous consent that the cost estimate for S. 2057 prepared by the Congressional Budget Office be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 9, 1998.

Hon. STROM THURMOND,
Chairman, Committee on Armed Services,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2057, the National Defense Authorization Act for Fiscal Year 1999.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE, JUNE 9, 1998

S. 2057: NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999, AS REPORTED BY THE SENATE COMMITTEE ON ARMED SERVICES ON MAY 11, 1998

SUMMARY

S. 2057 would authorize appropriations for 1999 for the military functions of the Department of Defense (DoD) and the Department of Energy (DOE). It also would prescribe personnel strengths for each active duty and selected reserve component of the U.S. armed forces. Assuming appropriation of the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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amounts authorized for 1999, CBO estimates that enacting S. 2057 would result in additional discretionary spending from 1999 appropriations of \$269 billion over the 1999–2003 period, including \$1.9 billion that would be designated as emergency funding. In addition, the bill contains provisions that would lower the cost of discretionary defense programs over the 2000–2003 period by about \$4.8 billion.

The bill would affect direct spending through land conveyances, the sale of naval vessels, loss of receipts from the auction of the electromagnetic spectrum, changes to military retirement and survivor benefit programs, and other provisions. CBO estimates that the bill would raise direct spending by \$71 million in 1999 and by \$1.1 billion over the 1999–2003 period. It also would generate receipts from assets sales totaling \$251 million in 1999. The combined effect would be to lower spending by \$180 million in 1999 but raise it by \$826 million over the 1999–2003 period. Because the bill would affect direct spending, pay-as-you-go procedures would apply.

S. 2057 would require some airlines to extend federal government rates to reservists traveling to and from their inactive duty stations. This requirement may be a private-sector mandate as defined by the Unfunded Mandates Reform Act (UMRA). However, the cost of this provision would be small, and well below the threshold established by UMRA. UMRA excludes from application of

that act legislative provisions that are necessary for the national security. CBO has determined that all other provisions in S. 2057 either fit within this exclusion or do not contain intergovernmental mandates as defined by UMRA.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2057 is shown in Table 1, assuming that the bill will be enacted by October 1, 1998.

Authorizations of Appropriations

The bill would authorize specific appropriations totaling \$273.5 billion in 1999 for military programs in DoD and DOE. The bill would authorize \$271.6 billion for ongoing programs and \$1.9 billion on an emergency basis to cover the incremental costs of operations in and around Bosnia and Herzegovina (see Table 2). These costs would fall within budget function 050 (national defense). The estimate assumes that the amounts authorized will be appropriated for 1999. Outlays are estimated based on historical spending patterns. In addition, S. 2057 would authorize specific appropriations for other budget functions: \$117 million for the Naval Petroleum Reserve (function 270); \$71 million for the Armed Forces Retirement Home (function 700).

The bill also contains provisions that would affect various costs, mostly for personnel, that would be covered by the fiscal year 1999 authorization and by authorizations in future years. Table 3 contains esti-

mates of these amounts. In addition to the costs covered by the 1999 authorizations in the bill, these provisions would lower estimated costs by \$4.8 billion over the 2000–2003 period. The following sections describe the estimated authorizations shown in Table 3 and provide information about CBO's cost estimates.

Endstrength

The bill would specifically authorize appropriations of \$70.4 billion for military pay and allowances in 1999. Under the bill, the authorized endstrengths in 1999 for active-duty personnel and personnel in the Selected Reserve would total 1,395,780 and 877,094, respectively. Compared to the minimum endstrength level set in current law—1,431,379 active-duty personnel—the endstrength specified in S. 2057 would lower personnel costs by \$1.5 billion to \$1.7 billion annually.

Also the bill would authorize an endstrength of 8,000 in 1999 for the Coast Guard Reserve. This authorization would cost about \$69 million and would fall under budget function 400, transportation.

Grade Structure. Section 415 would change the grade structure of active-duty personnel in support of the reserves. This change would not increase the overall endstrength, but would result in more promotions. The provision would cost about \$3 million a year.

TABLE 1.—BUDGETARY IMPACT OF S. 2057 AS REPORTED BY THE SENATE COMMITTEE ON ARMED SERVICES

[By fiscal year, in millions of dollars]

	1998	1999	2000	2001	2002	2003
SPENDING SUBJECT TO APPROPRIATION ACTION						
Spending Under Current Law for Defense Programs:						
Budget Authority ¹	270,786	0	0	0	0	0
Estimated Outlays	269,058	91,071	33,952	15,117	6,586	3,047
Proposed Changes:						
Regular Authorizations:						
Authorization Level	0	271,867	0	0	0	0
Estimated Outlays	0	179,519	54,255	20,578	9,103	3,590
Emergency Authorizations:						
Authorization Level	0	1,859	0	0	0	0
Estimated Outlays	0	1,533	283	32	8	0
Spending Under S. 2057 for Defense Programs:						
Authorization Level ¹	270,786	273,726	0	0	0	0
Estimated Outlays	269,058	272,123	88,490	35,727	15,697	6,637
DIRECT SPENDING						
Estimated Budget Authority	0	71	74	264	508	160
Estimated Outlays	0	71	74	264	508	160
ASSET SALES²						
Estimated Budget Authority	0	–251	(³)	(³)	(³)	(³)
Estimated Outlays	0	–251	(³)	(³)	(³)	(³)

¹ The 1998 level is the amount appropriated for programs authorized by the bill.

² Under the Balanced Budget Act of 1997, proceeds from a nonroutine asset sale may be counted for purposes of pay-as-you-go scoring only if the sale would entail no net financial cost to the government. CBO estimates that the non-routine asset sales that would result from enacting S. 2057 would generate a net savings to the government, and therefore that the proceeds would be counted for pay-as-you-go purposes.

³ CBO does not have enough information to estimate the budgetary impact of land conveyances that would be authorized under S. 2057.

Note: Costs of the bill would fall under budget function 505 (national defense), except for certain other items as noted in the text.

TABLE 2.—SPECIFIC AUTHORIZATIONS IN THE NATIONAL DEFENSE AUTHORIZATION ACT, 1999, AS REPORTED BY THE SENATE COMMITTEE ON ARMED SERVICES

[By fiscal year, in millions of dollars]

Category	1999	2000	2001	2002	2003
Military Personnel:					
Authorization Level	70,434	0	0	0	0
Estimated Outlays	66,472	3,451	211	70	0
Operation and Maintenance:					
Authorization Level	94,314	0	0	0	0
Estimated Outlays	71,370	17,474	3,062	1,073	439
Procurement:					
Authorization Level	49,782	0	0	0	0
Estimated Outlays	11,601	14,107	12,469	6,446	2,586
Research, Development, Test, and Evaluation:					
Authorization Level	36,271	0	0	0	0
Estimated Outlays	18,882	13,306	2,730	689	241
Military Construction and Family Housing:					
Authorization Level	8,277	0	0	0	0
Estimated Outlays	2,630	2,536	1,497	795	255
Atomic Energy Defense Activities:					
Authorization Level	11,918	0	0	0	0
Estimated Outlays	7,893	3,266	615	48	48
Other Accounts:					
Authorization Level	802	0	0	0	0
Estimated Outlays	330	168	113	41	40
General Transfer Authority:					
Authorization Level	0	0	0	0	0
Estimated Outlays	280	–60	–120	–60	–20
Subtotal—Regular Authorizations:					
Authorization Level	271,798	0	0	0	0
Estimated Outlays	179,457	54,248	20,578	9,103	3,590

TABLE 2.—SPECIFIC AUTHORIZATIONS IN THE NATIONAL DEFENSE AUTHORIZATION ACT, 1999, AS REPORTED BY THE SENATE COMMITTEE ON ARMED SERVICES—Continued
[By fiscal year, in millions of dollars]

Category	1999	2000	2001	2002	2003
Emergency Authorizations:					
Authorization Level	1,859	0	0	0	0
Estimated Outlays	1,533	283	32	8	0
Total:					
Authorization Level	273,657	0	0	0	0
Estimated Outlays	180,990	54,531	20,610	9,111	3,590

TABLE 3.—ESTIMATED AUTHORIZATIONS OF APPROPRIATIONS FOR SELECTED PROVISIONS IN S. 2057 AS REPORTED BY THE SENATE COMMITTEE ON ARMED SERVICES
[By fiscal year, in millions of dollars]

Category	1999	2000	2001	2002	2003
Endstrengths:					
Department of Defense:					
Estimated Authorization Level	-1,485	-1,537	-1,595	-1,647	-1,700
Estimated Outlays	-1,402	-1,524	-1,585	-1,639	-1,690
Coast Guard Reserve:					
Estimated Authorization Level	69	0	0	0	0
Estimated Outlays	62	7	0	0	0
Grade Structure:					
Estimated Authorization Level	3	3	3	3	3
Estimated Outlays	3	3	3	3	3
Compensation and Benefits (DoD):					
Military Pay Raise in 1999:					
Estimated Authorization Level	6	6	6	6	6
Estimated Outlays	6	6	6	6	6
Expiring Bonuses and Allowances:					
Enlistment/reenlistment Bonuses (Active):					
Estimated Authorization Level	0	43	13	12	9
Estimated Outlays	0	41	15	12	9
Aviation and Nuclear Special Pay:					
Estimated Authorization Level	0	23	8	8	7
Estimated Outlays	0	21	9	8	7
Various Bonuses (Reserve):					
Estimated Authorization Level	0	14	11	8	4
Estimated Outlays	0	13	12	9	4
Special Pay for Nurses:					
Estimated Authorization Level	0	3	0	0	0
Estimated Outlays	0	3	0	0	0
Voluntary Separation/Early Retirement:					
Estimated Authorization Level	0	160	160	160	160
Estimated Outlays	0	155	160	160	160
Benefits for Involuntary Separations:					
Estimated Authorization Level	0	40	40	40	40
Estimated Outlays	0	38	40	40	40
Recruiting Incentives:					
Estimated Authorization Level	32	28	22	20	20
Estimated Outlays	32	28	22	20	20
Termination of Survivor Premiums:					
Estimated Authorization Level	21	22	22	23	23
Estimated Outlays	21	22	22	23	23
Changes in Reenlistment Bonuses:					
Estimated Authorization Level	10	6	4	4	2
Estimated Outlays	10	6	4	4	2
Education Loan Repayment:					
Estimated Authorization Level	10	10	5	0	0
Estimated Outlays	10	10	5	0	0
Incentive Payments to Civilian Employees:					
Estimated Authorization Level	0	42	41	154	125
Estimated Outlays	0	42	41	154	125
Health Care Provisions:					
Estimated Authorization Level	14	25	26	27	5
Estimated Outlays	14	25	26	27	5
Long-Term Charter of a Naval Vessel:					
Estimated Authorization Level	77	24	0	0	0
Estimated Outlays	4	10	11	10	11
Limitation of Price Preference for SDBs:					
Estimated Authorization Level	-8	-8	-8	-9	-9
Estimated Outlays	-8	-8	-8	-9	-9
Other Provisions:					
Estimated Authorization Level	5	5	9	6	5
Estimated Outlays	5	5	9	6	5
Total Authorization of Appropriations:					
Estimated Authorization Level	-1,246	-1,091	-1,233	-1,185	-1,300
Estimated Outlays	-1,243	-1,097	-1,208	-1,116	-1,279

Note: For every item in this table except one, the 1999 impacts are included in the amounts specifically authorized to be appropriated in the bill. Those amounts are shown in Table 2. Only the authorization of endstrength for the Coast Guard Reserve is additive to the amounts in Table 2.

Compensation and Benefits

S. 2057 contains several provisions that would affect military compensation and benefits.

Pay Raises. Section 601 would raise basic pay by 3.1 percent or \$1.2 billion in 1999. Because the pay raise would be the same as under current law, section 601 would have no incremental costs. Section 602 would increase the pay rates for cadets and midshipmen at the service academies. The incremental cost of this provision would be \$6 million annually.

Expiring Bonuses and Allowances. Several sections would extend for three months DoD's authority to pay certain bonuses and allowances to current personnel. The authority is scheduled to expire at the end of fiscal year 1999, but in some cases renewing authorities for even brief periods results in costs over several years because payments

are made in installments. CBO estimates that payment of enlistment and reenlistment bonuses for active duty personnel would cost \$43 million in fiscal year 2000. The cost of extending special payments for aviators and nuclear-qualified personnel would be \$23 million in 2000. Payment authorities for various bonuses for the Selected and Ready Reserve would total \$14 million in 2000. We estimate that authorities to make special payments to nurse officer candidates, registered nurses, and nurse anesthetists would cost \$3 million in 2000. The estimated cost of all these bonuses and allowances is \$163 million over the 2000–2003 period.

Voluntary Separation Benefits and Early Retirement. Section 522 would extend for four years DoD's authority to separate personnel by paying voluntary separation benefits and offering early retirement. Because DoD has made relatively little use of the voluntary

separation benefit in recent years, CBO estimates the cost of extending that authority would be less than \$10 million a year. However, recent experience indicates that early retirement incentives may be used more often. CBO estimates that DoD would spend about \$150 million annually to cover the costs of extending an option to retire early.

Benefits for Involuntary Separations. Section 522 would also extend for four years transitional benefits for former military personnel who have left service involuntarily. These benefits include travel and transportation allowances, payments for storing household goods, and access to health care, commissaries, and family housing. CBO estimates that costs for extending these benefits would total \$40 million a year starting in 2000.

Recruiting Incentives. The bill would change restrictions governing two recruiting incentives that would be extended through January 1, 2000. Section 616 would increase the maximum enlistment bonus in the Army from \$4,000 to \$6,000 for individuals who enlist for three years and score 50 or above on the Armed Forces Qualification Test. Based on current recruitment goals, CBO estimates that costs for enlistment bonuses would increase by \$4 million in 1999 and about \$2 million in 2000. Under current law, enlistees cannot receive both the college fund benefits and an enlistment bonus. Section 619 would also allow certain enlistees to receive both recruitment incentives, which CBO estimates would cost \$8 million in 1999, \$6 million in 2000, and \$2 million in 2001.

In addition, the maximum benefit from the military college funds under section 618 would increase in 1999 from \$40,000 to \$50,000, at an estimated cost to the military pay accounts of \$20 million a year.

Termination of Premiums for Survivor Benefits. Under section 631 a military retiree participating in the Survivor Benefit Plan (SBP) would stop paying premiums after paying them for 30 years and reaching 70 years of age. This provision would increase the payment that DoD makes to the Military Retirement Trust Fund for accruing retirement benefits. CBO estimates that those costs would average about \$22 million a year over the first several years. The provision would also lead to increases in direct spending as discussed below.

Changes in Reenlistment Bonus Eligibility. The services extend reenlistment bonuses to personnel in specialties characterized by inadequate manning, low retention, and high replacement costs. The maximum bonus payment under current law is \$45,000, but no more than ten percent of the bonuses can exceed \$20,000. Section 615 would remove the ten percent restriction and allow the services to extend reenlistment bonuses to reserve members performing active guard and reserve duty. CBO estimates that these changes would cost about \$10 million in 1999 and \$26 million over the 1999–2003 period.

Caps on Education Loan Repayment. The bill would increase the authorized caps on loans that DoD may repay for health professionals serving in the Selected Reserve and who have critical skills. The repayment caps would increase from \$3,000 per year and \$20,000 in total to \$20,000 and \$50,000, respectively. The provision would cost an estimated \$10 million in 1999 and \$25 million over the 1999–2003 period.

Incentive Payments to Civilian Employees

CBO estimates that together sections 1103 and 1104 would raise discretionary costs by \$362 million and direct spending by \$343 million over the 1999–2003 period. Section 1103 would extend DoD's authority to offer incentive payments to civilian employees who voluntarily retire or resign. This authority, currently scheduled to expire at the end of fiscal year 2001, would be extended through fiscal year 2003. Section 1104 would authorize DoD to target offers of early retirement to specific groups of employees. DoD frequently offers incentive payments and early retirement to the same employees, and has found that the two methods are more effective when used together.

As a result, the net impact of enacting both sections 1103 and 1104, on both DoD workforce reductions and the budget, is greater than the individual impact of each provision.

Based on information provided by DoD and the Office of Personnel Management (OPM), CBO estimates that section 1103 would increase discretionary spending by \$244 million in 2002 and 2003. Section 1104 would increase

discretionary costs by \$76 million between 2000 and 2003. If both provisions were enacted, discretionary spending would increase by an additional \$42 million in 2002 and 2003. These costs reflect additional incentive payments and deposits to the Civil Service Trust Fund that DoD would be required to make for each employee who accepts an incentive payment. These figures also incorporate savings that DoD would realize due to lower spending on severance payments associated with involuntary separations. Additional information about the budgetary impact of these provisions is provided below in the discussion of impacts on direct spending.

Military Health Care Programs and Benefits

Title VII contains several provisions that would affect health care programs and benefits although only a few would have a budgetary impact.

Demonstration Projects. Section 707 would require DoD to establish three demonstration projects involving health benefits for certain beneficiaries who are eligible for Medicare and who live 40 miles or more from a military treatment facility (MTF), a so-called catchment area. Specifically, one project would offer mail-order pharmacy benefits; another would offer Tricare as supplemental coverage to Medicare; and a third would offer supplemental coverage under the Federal Employee Health Benefits Program (FEHBP). The bill would cap DoD's costs at \$60 million a year for the term of the demonstrations. The budgetary impact of section 707 would include both an increase in spending subject to appropriation and direct spending.

CBO estimates that DoD would spend \$14 million in 1999 and \$104 million over the 1999–2003 period for the demonstrations of providing mail-order pharmacy benefits and Tricare coverage as a supplement to Medicare. Those costs would be subject to appropriation. (The direct spending costs of the third demonstration are discussed below with other provisions affecting direct spending.) The estimate assumes that 11,000 beneficiaries eligible for Medicare reside in each of six demonstration sites, based on the average number of such individuals living outside catchment areas. This estimate assumes DoD would offer benefits under each project to roughly the same number of beneficiaries. (Thus, DoD's spending on each project would depend on the per capita cost of the benefits offered.) Alternatively, DoD could design the demonstration to spend roughly the same amount on each project. If this were the case, DoD would spend roughly \$40 million annually on these two projects.

Dependents' Dental Premiums. Under current law, participating dependents of active-duty personnel must pay part of the premium for dental care coverage, but the amount is capped at \$20 per month per family. Section 701 would allow DoD to adjust the participants' premiums by the military pay raise. CBO estimates that this provision would reduce DoD's costs by a negligible amount in 1999 but that savings would increase by about \$500,000 annually thereafter, totaling \$6 million over the 1999–2002 period.

Automatic Enrollment and Reenrollment in Tricare Prime. Under current law, if dependents of active-duty personnel want to join Tricare Prime, they must enroll each year. Enrollees can choose either military or civilian primary care providers or they may be assigned to civilian providers if an MTF reaches its enrollment capacity. Section 703 would provide that dependents of members in grades E-4 or below who live outside a catchment area be automatically enrolled in Tricare Prime at the MTF. They would remain enrolled at the MTF until they elect to disenroll or become ineligible for coverage.

Although automatic enrollment could encourage some dependents who do not currently rely on military health care to join Tricare, CBO believes that the costs to DoD would be negligible because nearly all dependents of members in grades E-4 and below already use the military health system. But, if automatic enrollment encourages current participants in Tricare Extra and Tricare Standard to get care from the MTFs instead, then DoD would incur more costs in its direct care system. However, only a small part of this population would be likely to change providers based solely on automatic enrollment, and because Tricare contractors would experience lower health care costs from shifts to the MTFs, at least some of DoD's extra costs would be offset by adjustments to the price of the managed care contracts.

Authority to Provide Tricare Coverage. Under current law beneficiaries lose eligibility for Tricare once they are eligible for Medicare. Section 704 would allow DoD to extend Tricare eligibility through June 30, 1999, for certain beneficiaries who have become eligible for Medicare because of a disability but who have not enrolled in Medicare Part B. CBO estimates that DoD would spend about \$3 million in health care costs for these individuals, based on information from DoD on the number of affected beneficiaries. Information from DoD suggests that its has been willing to pay these expenses even though current law does not require it. Thus, assuming that DoD would continue to pay these costs under current law, this provision would have no net budgetary impact.

Long-Term Charter of Naval Vessels

Section 1012 would authorize the Secretary of the Navy to charter three vessels in support of submarine rescue, escort, and towing. Two of the vessels would be leased through 2005 and a third vessel would be leased through 2012. The charter would be a capital lease that would cost about \$101 million through 2003. Because two charters would begin in 1999 and the third would begin in 2000, the estimated authorizations is counted in those two years. The estimate is based on information provided by the Navy and the owner of the vessels.

Limitation of the Price Preference for SDBs

Under current law, DoD may enter into contracts with small disadvantaged businesses (SDBs) to pay prices that exceed the fair market price in order to facilitate awarding at least five percent of its contracts to SDBs. Section 803 would deny that authority except when DoD failed to reach that goal in the preceding fiscal year. Information from DoD suggests that contracts awarded to SDBs in recent years have exceeded the goal and have resulted in annual price premiums totaling between \$7.5 million and \$10 million. On this basis, CBO estimates that section 803 would save \$8 million a year.

Other Provisions.

The bill contains several other provisions that would have a budgetary impact totaling about \$5 million annually.

DARPA Personnel Management. Section 1105 would authorize the Secretary of defense to appoint not more than 20 eminent experts in science and engineering to work in research and development projects administered by the Defense Advanced Research Projects Agency (DARPA). The authorization would extend over the five-year period beginning on the date of the enactment S. 2057. CBO estimates that implementing section 1105 would cost \$3 million a year over the 1999–2003 period.

Pay Increase for Safety Personnel at Defense Nuclear Facilities. Under current law, the salary of safety personnel at defense nuclear facilities may not exceed the rate of pay or Level IV of the Executive Schedule. Section 3142 would change that limit to Level III, an

increase of about \$7,500 per person per year. CBO estimates that this provision would raise DOE's personnel costs by less than \$2 million a year for about 200 individuals.

National Defense Panel. Section 905 would authorize the Secretary of Defense to establish a National Defense Panel in 2001 and every four years thereafter to recommend a 10- and 20-year defense plan. The panel would consist of a chairman and eight other individuals from the private sector who are recognized experts in national security matters. The chairman would have the authority to hire an executive director and staff. CBO estimates that implementing section 905 would cost \$4 million in 2001 and \$1 million in 2002.

Reductions in Headquarters Staff. Section 904 would require the Secretary of Defense to reduce staffing in headquarters and various DoD agencies by the end of fiscal year 2003. Because total military personnel are determined by end strength requirements, CBO assumes that the provision would mainly affect civilian employees. Starting from the employment level of October 1, 1996, section 904 would require the elimination of approximately 33,000 civilian positions at estimated annual savings of about \$2.1 billion once the reduction is fully accomplished. Because such reductions are occurring under current law, CBO does not estimate additional savings under section 904.

Director Spending and Asset Sales

S. 2057 contains several provisions that would affect direct spending and asset sales.

As shown in Table 4, the bill would raise direct spending by \$71 million in 1999 and \$1,077 million over the 1999–2003 period. CBO estimates that it would raise receipts from asset sales by about \$251 million in 1999.

Forgone Spectrum Receipts

CBO estimates that the provisions in section 1062 regarding licenses for the use of the electromagnetic spectrum would result in a loss of offsetting receipts that could range from a few hundred million to several billion dollars over the 1999–2003 period. Existing law requires the transfer of certain frequencies from federal to nonfederal jurisdiction, and the subsequent assignment of licenses to use those frequencies to private entities through auctions conducted by the Federal Communications Commission (FCC). Under current law, the costs of relocating federal users are a federal responsibility and would be financed during appropriated funds. Under this bill, nonfederal entities would be obligated to compensate federal agencies in advance for costs incurred to relocate out of the portion of the spectrum being licensed for commercial use. Agency spending of the receipts collected from the licensees would be subject to appropriation.

The provisions in section 1062 could apply to spectrum auctions that are projected to generate about \$9 billion in receipts over the 1999–2003 period under current law. Obliging prospective bidders to pay the relocation costs associated with specific licenses

would significantly depress interest in many, if not most, of those auctions. For example, recent reports have suggested that relocating certain DoD functions could cost an average of about 20 cents per megahertz per person, which is more than half the average price received in 1997 for wireless telecommunications licenses (the D, E, and F block auctions). Consequently, CBO estimates that offsetting receipts from spectrum licenses would be 5 percent to 10 percent lower than under current law because of the uncertainty associated with the added liability to the prospective licensees. In addition, CBO expects that the FCC would not receive bids for some portions of the spectrum because the projected cost of relocating federal users out of certain spectrum would likely exceed the market value of some licenses. As a result, we estimate that enacting section 1062 would reduce offsetting receipts by a total of \$800 million over the next five years. The loss of receipts could be significantly higher, depending on the extent to which bidders lack confidence in the estimates of their liability for relocation costs. Finally, CBO anticipates that some auctions would be postponed to allow time for federal agencies to finalize cost estimates and develop procedures for releasing information to bidders. Such delays would reduce auction receipts in 1999 but would have no significant net effect over time.

TABLE 4.—DIRECT SPENDING AND ASSET SALES IN S. 2057

[By fiscal year, budget authority and outlays in millions of dollars]

Category	1999	2000	2001	2002	2003
DIRECT SPENDING					
Forgone Spectrum Receipts	100	75	200	400	25
Incentive Payments to Civilian Employees:					
Section 1103 incentives	0	0	0	-9	24
Section 1104 incentives	0	10	64	99	75
Interactive effects	0	0	0	15	65
Subtotal	0	10	64	105	164
Premiums for Survivor Benefits	-5	-5	-5	-5	-5
FEHB Demonstration Project	3	30	41	44	12
Spending of Travel Rebates	2	2	2	2	2
Leases of Naval Vessels	-29	-38	-38	-38	-38
Land Conveyance Spending	(1)	(1)	(1)	(1)	(1)
Total Direct Spending	71	74	264	508	160
ASSET SALES²					
Sale of Naval Vessels	-151	0	0	0	0
Stockpile Sales	-100	0	0	0	0
Land Conveyances	(9)	(3)	(9)	(3)	(9)
Total Asset Sales	-251	(3)	(9)	(3)	(9)
DIRECT SPENDING AND ASSET SALES					
Total	-180	74	264	508	160

¹ CBO does not have enough information to estimate the direct spending from land conveyances in S. 2057. Some provisions would authorize spending from the proceeds of certain asset sales, and although proceeds and spending would cancel each other over time they would not do so on a yearly basis. Another provision would authorize a sale with payment delayed for 10 years; that provision would have a subsidy cost under credit reform.

² Under the Balanced Budget Act of 1997, proceeds from a nonroutine asset sale may be counted for purposes of pay-as-you-go scoring only if the sale would entail no net financial cost to the government. CBO estimates that the non-routine asset sales that would result from enacting S. 2057 would generate a net savings to the government, and therefore that the proceeds would be counted for pay-as-you-go purposes.

³ CBO does not have enough information to estimate the budgetary impact of land conveyances that would be authorized under S. 2057.

Incentive Payments to Civilian Employees

In addition to their impact on discretionary spending (discussed above), sections 1103 and 1104 of the bill would affect direct spending. Enacting both sections 1103 and 1104 would increase the number of employees taking incentive payments and retiring early in 2002 and 2003, and the budgetary impact of the two provisions taken together is greater than their separate impacts. CBO estimates that sections 1103 and 1104 would raise direct spending by about \$343 million (in budget functions 600 and 950) over the 1999–2003 period.

Section 1103. This provision would allow DoD to offer incentive payments to employees who voluntarily retire or resign in fiscal years 2002 and 2003. These payments would induce some employees to retire—and begin receiving federal retirement benefits—earlier than they would otherwise. These additional benefit payments represent direct spending.

In later years, annual federal retirement outlays would be lower than under current law because employees who retire earlier would receive a smaller annuity. By itself, section 1103 would increase net direct spending by a total of \$15 million in 2002 and 2003.

Based on information from DoD, CBO estimates that about 7,900 employees would accept incentive payments in 2002 and 2003 (see Table 5). CBO assumes that about 60 percent of these employees would retire at the same time under current law; the rest would be induced to retire one to two years early. As a result, CBO estimates that spending on federal retirement benefits would increase by \$76 million during the 2002–2003 period. In later years, annual spending on retirement benefits would decrease by about \$15 million relative to current law.

DoD would be required to make a deposit to the Civil Service Trust Fund equal to 15 percent of final pay for each employee who accepts an incentive payment. CBO esti-

mates that these deposits would be about \$7,700 per employee and would increase deposits received by the trust fund by \$61 million in 2002–2003.

Section 1104. Federal agencies that are undergoing a major reorganization or reduction in force may, with the approval of the OPM, offer their employees retirement benefits earlier than would normally be allowed. OPM and agencies have traditionally used a number of criteria to target offers of early retirement to particular groups of employees and thus address agencies' specific personnel needs. In September 1997, the Court of Appeals for the District of Columbia in *Torres v. OPM* struck down many of these criteria, ruling that OPM lacked the necessary statutory authority. The recent supplemental appropriations bill (Public Law 105-174) granted OPM the necessary authority, but only through fiscal year 1999. Section 1104 would permanently codify the previous practice for

DoD and, in the absence of section 1103, would increase direct spending by \$248 million over the 2000–2003 period.

TABLE 5.—ESTIMATED NUMBER OF CIVILIAN EMPLOYEES OF DOD WHO WOULD RECEIVE INCENTIVE PAYMENTS AND TAKE EARLY RETIREMENT UNDER SECTIONS 1103 AND 1104
(Number of employees receiving each benefit)

	1999	2000	2001	2002	2003
CHANGES UNDER SECTION 1103					
Incentive Payments	0	0	0	4,300	3,600
Early Retirement	0	0	0	200	200
CHANGES UNDER SECTION 1104					
Incentive Payments	0	2,300	2,300	0	0
Early Retirement	0	2,500	2,500	200	200
CHANGES BASED ON INTERACTIONS					
Incentive Payments	0	0	0	1,700	1,400
Early Retirement	0	0	0	1,300	1,200
TOTAL UNDER S. 2057					
Incentive Payments	0	2,300	2,300	6,000	5,000
Early Retirement	0	2,500	2,500	1,700	1,600

Note: According to information from DoD, it plans to reduce its civilian workforce by 23,000 in 1999; 28,000 in 2000; 32,000 in 2001; 13,000 in 2002; and 12,000 in 2003. The CBO estimate of the number of employees receiving incentive payments and early retirements is also based on information from DoD. Because some individuals would receive both benefits, the figures are not additive.

Based on information from DoD and OPM, CBO believes that the *Torres* decision will lead agencies to sharply curtail their use of early retirement. Applications since the *Torres* decision indicate that the number of DoD employees projected to take early retirement are about 30 percent of pre-*Torres* levels. Without a change in law, DoD will have to rely more heavily on involuntary separations in order to reach its workforce reduction goals from 2000 to 2003. However, some employees who would have taken early retirement before the *Torres* decision will avoid the involuntary separations and continue working until taking regular retirement in later years. Because these employees will receive a higher annuity than they would have by retiring early, long-term spending on federal retirement benefits should increase in the wake of the *Torres* decision.

CBO estimates that section 1104 would increase the number of DoD employees taking early retirement in 2000 and 2001 by 5,000, and in 2002 and 2003 by about 400. The increase projected for 2002 and 2003 is much smaller because DoD does not currently have authority to offer incentive payments in those years. Moreover, DoD's workforce reduction targets for 2002 and 2003 are smaller than those for 2000 and 2001. The increase in early retirements would raise spending on federal retirement benefits by \$289 million between 2000 and 2003. But by 2003, spending on benefits would be \$40 million lower than under current law.

CBO also estimates that many of the 5,000 additional early retirees in 2000 and 2001 would accept incentive payments. For these employees, DoD would make \$41 million in additional deposits to the Civil Service Trust Fund.

Interaction Between Sections. DoD frequently offers incentive payments and early retirement to the same employees, and has found that the two methods are more effective when used together. As a result, the net impact of enacting both sections 1103 and 1104, on DoD workforce reductions and the budget, is greater than the individual impact of each provision. CBO estimates that enactment of both sections would result in an additional 3,100 employees taking incentive payments and an extra 2,500 employees taking early retirement in 2002 and 2003. CBO estimates that taken together the provisions would raise direct spending by about \$343 million over the 2000–2003 period or about \$80 million more than if they had no interaction.

Termination of Premiums for Survivor Benefits

Under section 631, a military retiree participating in the Survivor Benefit Plan (SBP) would stop paying premiums after paying them for 30 years and reaching 70

years of age. Because the bill would specify October 1, 2003, as the effective date, no costs would be incurred until that time. However, CBO estimates that some individuals who would stop participating in SBP under current law would continue to pay premiums under section 631. Thus, CBO estimates that the government would collect additional premiums of about \$5 million a year until 2004 when costs would more than offset the additional receipts. Direct spending costs (in budget function 600) would be about \$59 million in 2004 and would reach about \$120 million in 2008. Net costs would continue to increase after 2008 before leveling off.

Demonstration Projects for Medicare-Eligible Military Retirees

Section 707 would require DoD to establish three demonstration projects to offer certain health benefits to military beneficiaries who are also eligible for Medicare. Two of the projects would raise direct spending by a total of \$3 million in 1999 and \$130 million over the 1999–2003 period.

CBO estimates that the project that would allow coverage under the FEHB program would raise direct spending by \$103 million from 2000 through 2003. This estimate assumes that DoD offers enrollment to 22,000 individuals residing in two catchment areas and that 70 percent of them would join the program. Most of the increase in direct spending would be DoD's payment of the government contribution toward the FEHB premium. A small portion of the direct spending increase would be higher expenditures in the Medicare program because beneficiaries who acquire supplemental health coverage tend to use more Medicare services overall. CBO estimates that Medicare expenditures (in budget function 570) would rise by \$22 million over the 1999–2003 period. There would be no budgetary impact in 1999 from this project because the FEHB project would begin on January 1, 2000, and end on December 31, 2003.

CBO believes that the demonstration project offering Tricare supplemental coverage would also increase Medicare spending. To the extent that this benefit covers most or all of the Medicare deductibles and copayments, spending in the Medicare program would rise for the participants who acquire supplemental coverage through this project. Assuming that if the Tricare supplemental is like the most commonly purchased commercial Medigap plan, which covers the Medicare inpatient deductible and outpatient copayments, then Medicare spending would rise by about \$3 million in 1999 and \$26 million over the 1999–2003 period.

Spending From Rebates

Section 802 would give DoD the authority to spend rebates it receives from travel agen-

cies under contracts with the department. Under current law, DoD is prevented from spending receipts that stem from certain contracts or that are credited to an appropriation that has lapsed. By allowing such funds to be spent, CBO estimates that section 802 would increase outlays by about \$2 million a year.

Leases and Sales of Naval Vessels

Section 1013 would authorize the transfer of 22 naval vessels to foreign countries: six by grant, eleven by sale, and five by lease or sale. CBO estimates the transfer would increase offsetting receipts by \$332 million over the 1999–2003 period—\$151 million from the sale of ships and \$181 million in lease payments. The estimate assumes the five ships authorized for transfer by sale or lease will be leased for five years, with quarterly payments beginning in the second quarter of fiscal year 1999.

Stockpile Sales

The bill would authorize DoD to sell several materials contained in the National Defense Stockpile to achieve receipts totaling \$100 million in 1999. CBO estimates that DoD would be able to sell the materials authorized for disposal and raise the receipts required by the bill.

Land Conveyances

The bill contains several provisions that would convey land to nonfederal entities. CBO cannot estimate the aggregate budgetary impact because DoD has not assessed the market value of all the affected properties.

Section 2821 would authorize the sale of about 5,000 acres to the Indiana Reuse Authority and section 2823 would convey about 1,000 acres to Hamilton County, Tennessee. In each case, payment would occur 10 years after the land was transferred. The delayed payment would represent loans by the United States under procedures established by the Federal Credit Reform Act of 1990. The budgetary impact would be the difference between the sale price and the subsidy cost. However, because DoD does not know the market value of the land, CBO cannot estimate the budgetary effects.

Sections 2821 and 2823 also would grant the Secretary of the Army authority to accept and spend reimbursements from local authorities for administrative expenses incurred during the conveyances. Because receipts and spending would offset each other, this authority would have no net budgetary impact.

Other sections would either authorize DoD to give or sell parcels of property that GSA might sell under this disposal procedures. CBO estimates that these sections would not have a significant budgetary impact.

Other Provisions

The following provisions would have an insignificant budgetary impact:

Section 313 would allow DoD to collect landing fees for the use of military airfields by civil aircraft and to use the fees to fund the operation and maintenance of the airfields during fiscal years 1999 and 2000.

Section 511 would allow National Guard officers to compute their time-in-grade for retirement purposes from the date they are confirmed by the Senate.

Section 512 would allow reserve generals and flag officers who are involuntarily transferred from active status to retire at a higher grade if they have served two years, instead of three years, at that grade.

Section 522 would allow a limited number of reserve commissioned officers who retire voluntarily to retire at a higher grade if they have served two years, instead of three years, at that grade.

Section 632 would require certain retirees to begin paying premiums under the Survivor Benefit Plan the month following a court order.

Title XXXV would authorize the Panama Canal Commission (PCC) to solicit and accept donations of funds, property, and services from nonfederal sources for the purpose of carrying out promotion activities. This provision would have no net effect on direct spending because any new offsetting collections would be deposited into the FCC's revolving fund, from which they would be spent without further appropriation.

Section 1052 would allow the superintendents of the military academies to receive and spend funds awarded from research grants.

Section 1054 would allow DoD to spend reimbursements from companies that damage personal property during shipping if DoD has reimbursed the owners of the property.

Section 1056 would allow military historical centers to spend the amounts they collect as fees for providing information to the public.

Section 1061 would increase the amount of funding that would be derived from fees and spent for a program to commemorate the 50th anniversary of the Korean War.

Title XXIX, the Juniper Butte Range Land Withdrawal Act, would reserve approximately 12,000 acres of public land in Owyhee County, Idaho, for use by the Secretary of the Air Force for training and other defense-related purposes. Implementing title XXIX could lead to a decreased in offsetting receipts from grazing on federal lands, but because implementation would depend on appropriation action, CBO estimates that enactment of title XXIX would not, by itself, affect direct spending or receipts.

PAY-AS-YOU-GO CONSIDERATIONS

Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending on receipts. The net changes in outlays and governmental receipts that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Changes in outlays	0	-180	74	264	508	160	253	174	119	90	45
Changes in receipts						Not applicable					

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

The Unfunded Mandates Reform Act of 1995 (UMRA) excludes from application of that act legislative provisions that are necessary for the national security. CBO has determined that the provisions in S. 2057 either fit within this exclusion or do not contain intergovernmental mandates as defined by UMRA.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

One provision of S. 2057 could impose a new private-sector mandate. Section 623 of title VI would require airlines and other common carriers under contract with the General Services Administration to provide transportation at the contracted federal government rate to reservists traveling to and from their inactive duty training station. To the extent that the contracted government rate is lower than available commercial rates, this provision would reduce carriers' revenues and income. About 700,000 reservists are required to participate in monthly drills and annual training. The annual cost of this provision would be well below the \$100 million threshold set by UMRA, since most reservists travel to their training bases by private automobile rather than by common carrier. Furthermore, once the General Services Administration renegotiates its service agreements with the carriers, this provision would become a standard condition of the contract that the carriers accept, and would therefore no longer constitute a private-sector mandate.

PREVIOUS CBO ESTIMATE

On May 12, 1998, CBO prepared a cost estimate for H.R. 3616, the National Defense Authorization Act for Fiscal year 1999, as ordered reported by the House Committee on National Security.

Estimate prepared by:

Federal Cost: The estimates for defense programs were prepared by Valerie Barton (military retirement), Shawn Bishop (health programs), Kent Christensen (military construction and other defense), Jeannette Deshong (military and civilian personnel), Raymond Hall (procurement, RDT&E, stockpile sales, and atomic energy defense activities), Dawn Sauter (operation and maintenance), and Joseph C. Whitehill (sale of naval vessels). They can be reached at 226-2840.

Eric Rollins prepared the estimates for incentive payments to civilian employees (sections 1103 and 1104). He can be reached at 226-2820.

Kathy Gramp prepared the estimates of forgone receipts from auctioning the electromagnetic spectrum. Victoria. V. Heid prepared the estimate for the withdrawal of the Juniper Butte Range Lands, and Deborah Reis prepared the estimate for the Panama Canal Commission. They can be reached at 226-2860.

Impact on State, Local, and Tribal Governments: Leo Lex (225-3220).

Impact on the Private Sector: R. William Thomas (226-2900).

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

Mr. THURMOND. Mr. President, I ask unanimous consent that Senate floor privileges be granted to staff members of the Armed Services Committee during the pendency of S. 2057, the National Defense Authorization Act for Fiscal Year 1999, for today and each day the measure is pending before the Senate and for the rollcall votes thereon:

Les Brownlee, Staff Director; George Lauffer, Deputy Staff Director; Scott Stucky, General Counsel; David Lyles, Minority Staff Director; and Peter Levine, Minority Counsel.

Charles Abell, John R. Barnes, Stuart H. Cain, Lucia Monica Chavez, Christine E. Cowart, Daniel J. Cox, Jr., Madelyn D. DeBobes, John DeCrosta, and Marie F. Dickinson.

Keaverny Donovan, Shawn H. Edwards, Jonathan L. Etherton, Pamela L. Farrell, Richard W. Fieldhouse, Maria A. Finley, Jan Gordon, Greighton Greene, Gary M. Hall, and Patrick "Pt" Henry.

Larry J. Hoag, Andrew W. Johnson, Melinda M. Koutsoumpas, Lawrence J. Lanzillotta, Henry C. Leventis, Paul M. Longworth, Stephen L. Madey, Jr., Michael J. McCord, J. Reaves McLeod, and John H. Miller.

Ann M. Mittermeyer, Bert K. Mizusawa, Cindy Pearson, Sharen E. Reaves, Moultrie D. Roberts, Cord A. Sterling, Eric H. Thoemmes, Roslyne D. Turner, and D. Banks Willis.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, today the Senate is back to consider S. 2057, the National Defense Authorization Act for Fiscal Year 1999. I am hopeful that we will be able to finish the floor action on this bill quickly, and I am looking forward to the floor debate.

Mr. President, this bill is an important piece of legislation that enhances our national security. The Armed Services Committee has reported a sound bill which provides a 3.1 percent pay raise for the uniformed services, restores appropriate funding levels for the construction and maintenance of both bachelor and family housing, and increases investment in future modernization to ensure that the Department of Defense can leverage advances in technology and maintain our future force readiness.

This bill recommends a number of policy initiatives and spending increases which improve the readiness of the reserve forces and permit greater use of the expertise and capabilities of the reserve components.

Under the budget agreement, we have not added funds to the defense budget this year. However, as I stated when the Budget Resolution was on the floor, I believe that we are not providing adequate funds for defense and that we must reverse this negative spending trend.

Mr. President, as a result of the budget agreement reached last year, non defense discretionary spending received significant increases while defense continued its downward spending

trends—not even keeping pace with inflation. During the fiscal year 1998 appropriations process, the national security appropriations bill had the lowest percentage increase from fiscal year 1997 funding level than any of the other appropriations bills. In fact, military construction appropriations had a negative 6.2 percent change over the fiscal year 1997 funding levels, making funding for national defense grow at one-fifth the rate of domestic spending increases.

Since the end of the Cold War, the active military end strength has been reduced from 2.2 million men and women to a little over 1.4 million. Annual defense spending continues to decline from a level of \$400 billion in fiscal year 1986 to about \$260 billion, in equivalent, inflation-adjusted dollars.

Mr. President, I have been pleased to hear that many of my colleagues including, the Chairman of the Appropriations Committee and the Chairman of the Budget Committee believe, as I do, and have been recently quoted in the press that defense spending must be increased, and the negative spending trend for defense must be reversed. The gap between our military capability and our commitments around the world continues to widen. We can no longer carry out the ambitious foreign policy of this Administration with the level of resources allocated for defense and still maintain our current readiness posture. We will not require less of our servicemen and women in the future. We must meet our obligation to provide adequate resources for our national security.

In this bill, the Committee has achieved a better balance among near-term readiness, long-term readiness, quality of life and adequate, safe and reliable nuclear weapons capabilities.

Mr. President, I would like to take a moment to thank the Chairman of the Appropriations Committee and his staff for their close cooperation with our Committee this year. I cannot recall a time when we have worked together as closely as we have this year. I believe that cooperation is reflected in both of our bills, and I commend the Chairman and the Members of the Appropriations Committee and their fine staff for their work this year.

I urge my colleagues to come to the floor and offer their amendments, but I would also like to remind my colleagues that any amendments to the defense authorization bill that would increase spending should be accompanied by offsetting reductions.

My hope is that colleagues will support this bill and join the Members of the Armed Services Committee in passing this bill with a strong bipartisan vote.

I wish to thank the Chair, and yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, first let me again commend Senator THURMOND for his leadership on the committee.

His chairmanship has been a distinguished one. He has worked hard to keep us together as a bipartisan committee. We have adopted this bill on a bipartisan basis. He and his staff have worked with me and our staff to work out the problems that we have had, and where there have been disagreements we have resolved them and moved on to other areas of importance. We are ready to get back to work on our bill. As the chairman mentioned, the Appropriations Committee has already reported the DOD appropriations bill, and we worked cooperatively with them, so it is important that we complete action on this authorization bill so we can get to conference.

We have been working with Senators for the past several weeks on a number of amendments which we have been able to clear, and I hope that we can act on those cleared amendments here this morning.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. I just take this opportunity to thank Senator LEVIN and the Members of the minority for their fine cooperation and working with us on this defense bill. Senator LEVIN is always ready to cooperate, and he renders this country a great service.

Mr. LEVIN. I thank the Senator.

Mr. HUTCHINSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I offer an amendment to the underlying National Defense Authorization Act, amendment 2387, which I filed on May 20.

The PRESIDING OFFICER. It would take unanimous consent at this point to call up an amendment.

Mr. HUTCHINSON. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is an amendment by Senator BROWBACK, a second-degree amendment.

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that we lay aside the pending business for the purpose of offering amendments.

The PRESIDING OFFICER. Is there objection?

Mr. LEVIN. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. HUTCHINSON. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUTCHINSON. Mr. President, I would like to speak on several amendments which I would have offered today had objection not been raised. These amendments, to which objection

has been raised on the basis that they are controversial, are, word for word, provisions that passed the U.S. House of Representatives many months ago by overwhelming margins.

The first amendment I will be speaking on passed the House of Representatives by a margin of 415 to 1. It is that amendment dealing with coerced and forced abortions in the Nation of China to which objection has been raised and to which I will speak this morning.

I further point out, these amendments were filed May 20, a month ago, to the defense authorization bill, and I announced my intent, even prior to that, to offer these amendments and to ensure that those provisions which passed the House with such overwhelming support, reflecting overwhelming public support for these provisions, would have an opportunity to be voted on in the U.S. Senate.

I think those votes would have occurred much sooner had they not been tied up in committee. I think that they have overwhelming support, not only by the country, not only by the U.S. House of Representatives, but by the U.S. Senate, and when we have a chance to vote on them—and we will—that we will see them pass this body just as assuredly, and by the same kind of margin, as they passed the House.

So, while there may be objection raised on the basis that they are controversial amendments, I think when the vote happens we will find they are really not controversial at all. I think we are going to find very few Senators willing to cast nay votes on amendments which are so commonsensical and so reflect the moral values of the American people. We will have an opportunity to find out later, but objection has been raised.

The intent in offering these amendments somehow has been construed as being an effort to embarrass the President. I have no desire to embarrass the President on the eve of his trip. I do think it is important we send a certain message, and a clear, resounding message, to the Chinese Communist Government as to how important human rights abuses in that Nation—how important they are to our country, to our people, and to our Government.

I would have been delighted to have had this debate and this vote a month ago. Had it not been for prolonged, extended debate on the tobacco bill, that would have happened. So the timing for the offering of these amendments is not such to have some design to embarrass the President on the eve of his trip to Beijing. The timing was unavoidable because of the prolonged, extended debate on the tobacco bill that I think ran into 4 weeks. But I remind my colleagues on the floor this morning, these amendments were offered a month ago, there was public attention paid to these amendments a month ago, and it was clearly announced that I intended to offer them a month ago. I think it is unfortunate we cannot go ahead and offer those amendments to the defense authorization bill today.

The amendment, as I say, mirrors the language that passed overwhelmingly on the floor of the House. It would do two things. First, it condemns those officials of the Chinese Communist Party, the Government of the People's Republic of China, and other Chinese nationals involved in forced abortions and sterilization. I hardly think that is controversial. I do not think there are many people in this country who would say we should not condemn the practice of forced abortions and forced sterilizations. So the amendment does that.

Second, the amendment would prevent such persons from entering or remaining in the United States. That is, it would deny visas to those Communist Government officials who are involved in the practice of forced sterilizations and forced abortions in the Nation of China. It would be based upon credible evidence, and that credible evidence would be ascertained by the Secretary of State. So, to the extent that that information is available, to the extent that we have factual evidence that a person is involved in this horrendous practice, as determined by our Secretary of State, then visas would be denied to those individuals.

I just find it very difficult to see anything controversial about those two provisions in this amendment, but objection has been raised, although it passed by 415 to 1 in the House of Representatives. The objection has been raised on the basis of it being controversial because it condemns those Chinese Communist Party officials involved in abortions and sterilizations and would prevent them from receiving visas to travel to this country if the Secretary of State so determined that credible evidence indicated they were involved in that. That is the controversial amendment we are not allowed to offer today to the defense authorization bill.

In an attempt to reach a 1 percent annual population growth rate, Chinese authorities, in 1979, instituted a policy of allowing one child per couple, providing monetary bonuses and other benefits as incentives. In subsequent years, it has been widely reported that women with one living child, who become pregnant a second time, are often subjected to rigorous pressure to end the pregnancy and undergo sterilization.

Forced abortion and sterilization have not only been used in Communist China to regulate the number of children but to eliminate those regarded as defective under China's eugenics policy, the so-called natal and health care law. This law requires couples at risk of transmitting disabling congenital defects to their children to use birth control or undergo sterilization.

China's leadership has admitted that coerced abortions and involuntary sterilizations occur but insists that officials involved in such incidents are acting outside the law and are punished. The extent to which this policy

is carried out is not known, and while its enforcement is not uniform throughout China, the very fact that such a policy exists is abhorrent to people around the world who believe in basic human rights.

China's population control officials, working with employers and work unit officials, routinely monitor women's menstrual cycles. They subject women who conceive without government authorization to extreme psychological pressure, to harsh economic sanctions, including unpayable fines and loss of employment and, in some instances, physical force.

The aborting of unauthorized pregnancies, regardless of the stage of pregnancy—first trimester, second trimester, or even third trimester—is apparently, in China, a routine occurrence. Some have argued that China commits about half a million third-trimester abortions annually. Most of these babies are fully viable when they are killed, and virtually all of these abortions are performed against the mother's will.

I have also been told by those who have studied this issue that women are often imprisoned, brainwashed, and refused food until they finally break down and agree to the performing of an abortion. The actual methods by which doctors carry out these procedures are often unnerving and horrific. It has been reported that doctors commonly inject women with a shot of Rivalor, commonly known as "the poison shot," which directly causes congestive heart failure in the baby. The baby slowly dies over the course of 2 or 3 days, at which time the baby will be delivered dead.

I have also been made aware of reports that Chinese doctors also inject pure formaldehyde into the baby's soft spot of their head or the skull is crushed by the doctor's forceps.

Steven Mosher, the Director of Asian Studies at California's Claremont Institute, can personally account for seeing doctors carrying "chokers." These chokers are similar to our white twisty garbage ties. They are placed around the baby's neck during delivery. The baby then dies of painful strangulation over a period of about 5 minutes.

A government that would force women to undergo these kinds of grisly procedures obviously has no respect for basic human rights.

China currently has legislation that requires women to be sterilized after conceiving two children, and they even go so far as to demand sterilization of either the man or the woman if traces of a "serious hereditary disease" are found in an effort to eliminate the presence of children with handicaps, illnesses or other characteristics they might consider to be "abnormal."

Numerous international organizations have found that the Chinese Government utilizes in the sterilization method to control population horrendous practices. Mr. President, the practice of forced abortions by the Com-

munist Chinese Government was truly exposed to America when my good friend and my former colleague in the House, Congressman CHRIS SMITH, chairman of the International Operations and Human Rights Subcommittee of the House International Relations Committee held a hearing just less than 2 weeks ago, June 10. This hearing featured compelling testimony from a former administrator of China's Planned Birth Control Office on the use of coercive population control in order to achieve the Communist Government's one-child-per-couple limit.

Ms. Gao Xiao Dunn, the former head of China's Planned Birth Control Office from 1984 to 1988, admitted—and we have heard testimony of what she said before the House subcommittee less than 2 weeks ago, the former head of the birth control office of Communist China, this is what she testified. She said:

Once I found a woman who was 9 months pregnant, but did not have a birth-allowed certificate. According to the policy, she was forced to undergo an abortion surgery. In the operation room, I saw how the aborted child's lips were sucking, how its limbs were stretching. A physician injected poison into its skull and the child died, and it was thrown into the trash can. To help a tyrant do evils was not what I wanted. I could not bear seeing all those mothers grief-stricken by induced delivery and sterilization. I could not live with this on my conscience. I, too, after all, am a mother.

That was her very vivid, very powerful testimony before the House subcommittee, this former head of China's Planned Birth Control Office from 1984 to 1988. I think that her testimony, so very compelling, demands this body and this Government and this administration to take a stand in every way possible against these kinds of practices.

In addition, Mrs. Gao Xiao Dunn admitted:

When I was in my hometown in China, I saw how a large number of pregnant women were hiding anywhere they could. Some of them were 9 months pregnant, but were forced to undergo abortion procedures just the same—simply because they had no "birth-allowed certificates." The government dismantled the houses of some of them and made them homeless. The government's planned birth policy is extremely stern. In my native village, I saw how many women were looking for places to hide at night, because the government usually catches people at night. All this made me terrified.

There are those who apologize for the Chinese Government. They say, "Oh, things are better, but these are not things going on today." Here is someone who knows. Here is someone who was involved in it. Here is someone who became so guilt-stricken by her own involvement in this practice that she couldn't stand it any longer and has come forward to tell that story.

In her testimony, she discussed the abortions that occurred in jails where women were placed in jail who were fighting the physician's attempts to abort her child. She spoke of not only the jails where they were incarcerated,

but she spoke of the abortion bed where women were tied in by leather straps and where those terrible procedures were performed. Their homes were destroyed if they fought the Government strictures on the one-child policy.

What does our own State Department say? If we are not willing to accept the testimony of someone who put their own future in jeopardy by coming forward before a House subcommittee and telling their very vivid, compelling story, perhaps we will listen to our own State Department, because in the most recent human rights report on China issued only a few months ago, our own State Department said:

The Government does not authorize the use of force to compel persons to submit to abortion or sterilization, but officials acknowledge that there are instances of forced abortions and sterilizations. . . . Poor supervision of local officials under intense pressure to meet family planning targets results in instances of abuse, including forced abortion and sterilization. . . . There are credible reports that several women were forced to undergo abortions of unauthorized pregnancies in Fujian. . . . Newspapers in Shenyang reported that family planning agents convinced a woman 7 months pregnant to take "appropriate measures."

That is an abortion, although she was in the seventh month.

A well-documented incident of a 1994 forced 8-month abortion has been reported in the coastal province of Guangdong. A 1995 incident involving a forced sterilization was also reported in Guangdong.

That is from the State Department. That is the end of the quote from our own State Department report.

The Chinese Communist Government will deny that it is the official policy to encourage coerced abortions. They acknowledge that. Even the Chinese Communist Government acknowledges that these terrible practices occur.

What do other human rights organizations say? We have heard from a former director of the birth control agency in China. We have heard from our own State Department, but independent groups that monitor human rights abuses in China have weighed in as well.

Amnesty International has expressed its strong opposition to these coerced abortions, forced sterilization practices. In a 1996 report, "Women in China: Detained, Victimized, but Mobilized," it iterated its profound concerns about these practices:

Testimonies have indicated that officials have resorted to physical coercion resulting in torture or cruel, inhuman and degrading treatment when faced with this pressure. Family planning cadres continue to be disciplined and fired for failing to keep birth quotas.

This is from Amnesty International. While Amnesty International takes no position on the official birth control policy in China, they are concerned about the human rights violations which result from its coercive application. Like many of the human rights organizations that monitor China, I am concerned by reports that forced abor-

tion and sterilization have been carried out by or at the instigation of people acting in an official capacity—such as family planning officials—against women who are detained, restricted or forcibly taken from their homes to have the operation.

Previous reports by Amnesty International and other organizations have cited a wide range of evidence regarding the use of forcible measures taken from official family planning reports and regulations. Articles in the official Chinese press, testimonies from former family-planning officials, and testimonies from victims of forced abortion all attest that this is all too common still in 1997 in China.

Reports have also detailed cases of hostages being taken and ill-treatment by officials of the relatives of couples who failed to pay birth control fines or who had fled their villages attempting to avoid abortion or sterilization.

The Chinese authorities have never responded to such reports in detail. In recent years, they have simply asserted that "coercion is not permitted," but they admit that it is going on. Mr. President, I am concerned that there is no evidence the Chinese authorities have yet set in place effective measures to ensure that such coercion is not only forbidden on paper, but punished and prevented in practice.

I have been unable to find any instance of sanctions taken against officials who perpetuate such violations. In other words, the Chinese Communist Government today in the enforcement of their one-child policy turns a blind eye to local officials who use coercion, who use force, to compel women to have abortions against their will.

Mr. President, the absence of laws and regulations in China concerning coercive family planning has become even more cause for concern since 1995. Since that time, China has made numerous commitments at the international level to combating violence against women. However, the absence of any substantive laws regulating forced abortions and sterilization appear to widen the potential for coercion.

Mr. President, I am aware that some have concerns about how we can assure compliance with this amendment's requirement that visas be denied to individuals involved with these nefarious practices of forced abortions, of forced abortions and sterilizations. While I would expect a determined effort would be made to identify persons involved in such actions prior to the issuance of such visas, I recognize that enforcement will not be easy in every instance. And I would state that what is most important is that we provide both a strong condemnation of these practices, which the amendment does, and that we provide a mechanism for taking action against those responsible for them when credible information about their activities comes to light.

Let me reiterate, there is absolutely nothing controversial about this

amendment. We are talking about the kinds of family planning practices condemned across the political spectrum, by all who are concerned about moral values and basic human rights, that we take the modest action of saying we ought to condemn it as a government and we ought to deny visas to those who are perpetuating the practice in China, that to the extent we can identify them, to the extent that credible information comes forward, they should not be given visas to travel to this country. I do not believe—I really in my heart—do not believe there is anybody on the other side of the aisle who thinks this is a bad thing to do. So I am perplexed and I am befuddled that anybody would object to this amendment as being controversial.

Not only is China an increasing threat internationally, but within their own borders they continue to oppress their own people. And we should not simply turn a blind eye and say we do not want to talk about it or that it might cause embarrassment to either our President or to the Chinese Government. What a pitiful excuse for not addressing the issue.

Involuntary abortion or sterilization should be condemned, and it should be condemned in the strongest terms as a violation of human rights, a violation of the first order.

I want to read a brief excerpt from Nicholas Kristof and his wife Sheryl Wudunn from their book, the 1994 book, "China Wakes, The Struggle for the Soul of a Rising Power." Mr. Kristof was the New York Times' Beijing bureau chief, and his wife Ms. Wudunn was a New York Times Beijing correspondent in the late 1980s. They are the only married couple to have ever won the Pulitzer Prize award.

In 1989, Mr. Kristof and Ms. Wudunn were awarded with the Pulitzer Prize for their reporting during the Tiananmen Square massacre. They saw firsthand the Chinese Government's reprehensible practices. In particular, apart from the Tiananmen Square massacre, they saw firsthand the practices of forced abortions and sterilizations.

This is what they wrote, these two prize-winning authors. They wrote:

The family planning authorities routinely forced young women to undergo abortions and sterilization. The township authorities send teams into the villages once or twice a year to collect all the women who are due to be fitted with an IUD or to be sterilized. Some run away, in hopes they can remain fertile and have another baby, and the authorities then send goons to the women's relatives in other villages, even in other provinces, to find and sterilize them. Usually, they do not have to drag a woman to the operating table; when half a dozen men surround her home and order her to come out, she may not see much sense in fighting back.

Mr. President, the bottom line is that the practice of forced abortion and sterilization is inhumane. The practice is repugnant, and it is morally reprehensible.

This amendment, which I hope to be able to offer in the near future—this

amendment is not about a peculiarly American view of rights. It is not even about whether you are pro-life or pro-choice. It does not have a thing to do with this amendment. The use of force coercion, intimidation to commit such crimes against humanity is something that we all as a freedom-loving people—Democrat, Republican, pro-life, pro-choice—that all of us can join together in vigorously denouncing.

I remind you again, what this amendment does is to condemn the practice and say, to the extent that we can identify these individuals, with credible information—the Secretary of State can do that—we will deny them visas. This amendment, this “very controversial” amendment, passed by a vote of 415-1 in the House of Representatives, this amendment to which objection has been made today on the basis of it being controversial.

Mr. President, were I able to offer additional amendments today—and I had four prepared to be offered—I would move to amendment No. 2423, which I will not offer, but I intend to debate and make a statement on.

This is another “controversial” amendment. It passed the House of Representatives by a vote of 366-54. I filed this amendment back on May 20, almost a month ago. I announced my intent at that time that I would offer this amendment to the defense authorization bill. It mirrors the language that passed the House of Representatives. It would do three things.

It states, as congressional policy, that religious freedom should be a major facet of the President's policy towards China. Secondly, the amendment would prohibit the use of American funds appropriated for the Department of State, USIA or AID to pay for the travel of Communist Chinese officials involved in the monitoring of government-approved churches in China, or the formulation of implementation of policies to repress worship.

So it would deny our Government paying the travel expenses for those who are involved in the Chinese Communist Government in monitoring and supervising churches, places of worship, and those who were involved in the repression and the persecution of religious minorities.

Thirdly, it would deny visas to officials engaged in religious persecution—not the head of Government, not Cabinet members; we would exempt them; and not those who are the official heads of the Patriotic churches, but to Government officials involved in the persecution and repression of religious minorities—they would be denied visas. The conditions and the criteria would be the same—credible information, credible evidence as determined by the Secretary of State.

Mr. President, since the founding of the People's Republic of China almost 50 years ago, the Chinese Government has too often been involved in the persecution of religious believers. And they have subjected all religious

groups in China to comprehensive control by the state and the Chinese Communist Party.

The five officially recognized religious denominations have been reorganized into state-controlled associations, as the Chinese Buddhist, the Daoist, the Islamic, the Patriotic Catholic associations, and the Protestant Three-Self Patriotic Movement. Even within the pale of these authorized religions, Tibetan Buddhists and Uigher Moslems in Xinjiang have been subjected to wholesale persecution because of the enduring links between their religion and their national aspirations. For similar reasons, the Chinese Government has forcibly severed all links between Chinese Catholics and Protestants and their foreign coreligionists.

In fact, while I was in China in January, I met with a group of American nationalists, American expatriates, who are doing business in China. They attend church in China and have an American church. It has to be an American church by law. They cannot allow Chinese people to attend. They have almost 1,000 Americans who attend this church. But in meeting with them, they said, were they to allow any of the Chinese nationals to attend and to worship with them, they would be shut down because of the Chinese Government's fear of any influence from outside its own borders.

Millions of other religious believers, according to some estimates, the large majority of Chinese, have been deemed to fall outside these five recognized faiths and are simply denied any status as believers and are subjected to criminal penalties for practicing what the Government calls “superstition” or “folk beliefs.”

Even congregations of authorized denominations are kept under rigid state control through mandatory registration, a requirement enforced with unprecedented severity through the last several years, what they called an anticrime crackdown. The anticrime crackdown became the rationale for cracking down on religious minorities in China. It has been very severe in recent years. Registration entails full state control over religious doctrines.

I met with seminary officials while I was in China in Shanghai. We had a very interesting discussion. They are recognized, authorized, registered with the Government. But they made it very clear, as well, that there are certain things they are not allowed to do. I asked, could you go down the street, rent a building, and open that building for church services? There was a Government official sitting in the room, and they cast a weary glance at the Government officials, and they said no, that would not be tolerated; worship has to be done in approved places. I said, could you go out on the street, upstairs—we were meeting in a basement—could you go upstairs and pass out religious literature? Once again, a kind of weary glance at the Govern-

ment officials in the room and they said no, that would not be permitted; religion must be constrained to certain geographical locations—a far different idea of what religious freedom is—in China today.

The content of preaching in sermons is controlled by the Government. It is not permitted to preach on the “second coming of Christ.” That would be a taboo subject. They would not allow that to be taught or proclaimed in a Protestant or Catholic church in China.

The selection of clergy—controlled by the Government. Financial affairs, religious materials, building programs—you can't go build a church without getting a zoning requirement. It is a means of controlling the growth, as well as restriction on educational and social welfare projects. There is a complete bar on proselytizing persons under 18 and an official veto over baptism at any age. Registered congregations must reveal the names and addresses of all congregants.

The head of the state's Religious Affairs Bureau said in 1996, “Our aim is not registration for its own sake but control over places for religious activities, as well as over all religious activities themselves.” I don't know how you could be much more upfront, much more candid, than this official was, an individual who is the head of the entire China state Religious Affairs Bureau and very recently, in 1996, said, “Our aim is not registration . . .” just to register, our goal is “control over places for religious activities, as well as over all religious activities themselves.” The key word is the word “control.” That is the reason they require churches, synagogues, Buddhist temples, that is why they require all religious activities to be approved and sanctioned by the Government. Religious organizations are required to promote socialism and patriotism, while the massive state and party propaganda apparatus vigorously promotes atheism and combat superstition. While the Government officially promotes atheism, they demand that the churches support and promote patriotism.

Why is there this intense effort to control religion in China? I suggest if you look back to the ancient Roman empire, you can find an example of why that is so important to the Communist Chinese Government. It was the policy of the Roman empire that they practice what they called “religious tolerance.” You could have any religion you wanted, so long as whatever religious faith you were, you were willing to acknowledge Caesar as the ultimate sovereign. It would demand that, regardless of your faith, you say Caesar is Lord. That is where Christianity ran into problems in the Roman empire—it was the persecuted religion—because Christians wouldn't say Caesar is Lord, the ultimate sovereign. They saw there was a sovereign, a control beyond the Government, beyond Caesar.

May I suggest that is exactly the fear of the Chinese Communist Government. While they repressed all political dissent, our own State Department says that all of the political dissidents, all in the democracy movement have been incarcerated, exiled, or executed. So they have eliminated that threat. They see now that which is beyond their control as being the rapid growth of religion. And religion is growing. It is in a tremendous revival. People of faith are multiplying in China. Thus, we find the Chinese Government cracking down on religion because they see that as, in the long term, a threat to their power and their control because here is a body of people who see a loyalty beyond the Government in Beijing. So they crack down.

The Chinese Government and the Communist Party have in recent years intensified these efforts to expel religious believers from the Government, the military, and the party, ordering a nationwide purging of believers in January 1995. In spite of this, there is a phenomenal growth occurring among people of faith in China.

But I am deeply concerned about the mounting campaign against people of faith in China. The Roman Catholic Church has been made—at least the part of the Roman Catholic Church that recognizes the Vatican and the papal authority in Rome—has been made effectively illegal in China today. Priests, bishops, people of faith have been imprisoned and harassed. Zheng Yunsu, the leader of a Jesus family, a Protestant community in Shandong Province, is one of many behind bars today simply for practicing their faith. He was arrested during a police raid in the community in 1992. Then he was sentenced to 12 years imprisonment for disrupting—listen to this—for “disrupting public order and swindling.” His four sons and other members of the group were also imprisoned. I believe those individuals are prisoners of conscience and prisoners of faith.

Such persecution of religious groups has followed a substantial religious revival of China in the past 15 years. The Christian community—much of the expansion has been in religious groups that conduct their activities outside the Protestant and Catholic churches recognized by the Government.

When I visited China in January, I attended a church that worshipped openly, but in order to worship openly, they had to be approved, they had to be sanctioned, they had to be registered by the Government. But the explosive growth among believers in China today of all faiths is occurring primarily among the unregistered, the underground church, the house church movement.

Here we have a picture that was smuggled out of one of those house churches. You can see, I think, not only the enthusiasm and the faith and the devotion. The picture is worth a thousand words. There are more than a thousand words articulated by that

picture. The response of the Chinese Government to this growth of faith has been to crack down, to incarcerate, to persecute, to economically penalize those who would dare to worship according to the dictates of their conscience. That is why we believe we should take a stand. That is what this amendment is all about—condemn the practice, deny visas to those involved in it. I am sorry, but I have a hard time discerning how that could be controversial.

Mr. President, these peaceful but unregistered religious gatherings have been raided by police. Gatherings like this have been raided by police. Those attending have been beaten, threatened, and detained. Many of those detained are required to pay heavy fines as a condition for release. Those regarded as “leaders” are usually kept in custody and either sentenced to prison terms or administratively detained without charge or trial.

I was talking just last night with a lobbyist, a lobbyist for a very major American corporation. If I could mention the name of the corporation, everyone would immediately recognize it as being one of the leading companies in this country. This lobbyist engaged me in a discussion on China. I didn't bring it up, he did. He said, “I want to talk to you about your convictions on China.” Then he said, “Senator, our people in Beijing say that there is religious freedom in China today.” Then I began to tell about some of the things that are actually going on, some of what I learned even while I was there. I think that there is a tremendous disinclination to say that things are OK.

These aren't American views of freedom, these are basic human values. People of faith ought to be able to worship according to the dictates of their conscience and their own hearts, without fear of intimidation, without fear of incarceration, without fear of economic penalty.

In January 1994, two national regulations on religious activities came into force. Notably, Mr. President, they banned religious activities which “undermine national unity and social stability.” Let me say that again. They banned religious activities which “undermine national unity and social stability.” Whatever in the world does that mean?

That is the whole point. It is subject to the whims of any local official who wants to interpret it. Under the broad rubric of these two regulations, any activity could be construed as undermining the Chinese Government and, therefore, constitute a threat punishable by prosecution, imprisonment, arrest, and bodily harm.

These regulations also require that all “places of religious activities” be registered with the authorities, according to the rules formulated by China's Religious Affairs Bureau.

This means, in effect, Mr. President, that religious groups that do not have

official approval may not obtain registration, and that those involved in religious activities in unregistered places may be detained and punished. In other words, if you started a worship service in your home, you could not get official sanction, be registered, and you would be subject to detainment or punishment. Provided in these new regulations are detention and criminal penalties for any violation.

During this past year, police raids on religious gatherings organized by independent groups have continued, with hundreds of Protestants and Catholics reportedly detained as a result. More than 300 Christians were reported to have been detained in what appears to have been a crackdown by local police on unregistered Protestant houses and churches.

The evidence is clear that there is an intensified Chinese effort to repress religious liberty. This repression ranges from ransacking homes in Tibet in search of banned pictures of the Dalai Lama to destroying or closing 18,000 Buddhist shrines last spring alone. Ministers, priests, and monks are routinely arrested and imprisoned, tortured, and sometimes killed for the mere expression of their faith.

Mr. President, I believe not only should we adopt this amendment, which passed with over 350 votes in the House of Representatives, I believe that the President, on his trip to China, should raise this issue to the highest level. I hope he will do that. He said he is not intending to meet with dissidents. I hope he will change his mind. I hope that he will say what the Chinese people can't say, and that while the Chinese people are gagged, our President won't be gagged. He will have the opportunity and I hope he will talk about these issues.

Mr. President, in Paul Marshall's critically acclaimed book “Their Blood Cries Out,” an authoritative book on religious persecution around the globe, the case of Bishop Su is documented. During Bishop Su's 15 years in China's prison system, he was subjected to various forms of torture. They go through very graphic detail in recounting the kinds of suffering that this bishop endured. Unfortunately, that is not the exception.

The State Department's most recent report on religious freedom states:

... the government of China has sought to restrict all actual religious practice to government-authorized religious organizations and registered places of worship.

That is what they have sought to do. Then our State Department goes into a great deal of detail, enunciating exactly the kinds of abuses that are too common in China today.

There are only a handful of churches that are open in all of Beijing, not because there are not worshipers or believers, but because of the practice of the Government. The legal provisions requiring registration of all religious groups have been used against various

groups, including members of Protestant house churches who organize religious meetings in their private homes without having registered with the authorities. Many of these groups and the members of these groups don't register out of a personal conviction. They don't believe it would be proper. They feel they would be restricting their own faith and what they could say and do; so they don't register. Then they face detainment and fines and harassment by the police. Some house churches have voluntarily suspended their meetings because many members were being harassed, and others have regularly changed premises and meeting times for worship, moving from place to place to avoid detection by the authorities. Some congregations have even stopped singing during the worship time in order to avoid detection.

Pressure to register is reported to have increased in the past year. Reports from various areas show that official control over religious activities has been stepped up. Unregistered Protestant churches in Shanghai have been under increased Government pressure since December of 1994 when authorities announced that "it was illegal to hold religious activities in unregistered places of worship." The authorities reportedly threatened to fine any person found attending or leading an unregistered house church meeting. Religious books, religious tapes, and even collection boxes and offering plates have been confiscated by Government officials.

Mr. President, I say to my colleagues that the human costs are higher for unregistered or unauthorized clergy and believers. It is too high. We should and we must denounce it, condemn it, and speak out against it. Today, hundreds of people are serving long prison sentences in China—Buddhists, Taoists, Moslems, Catholics, and Protestants—for simply practicing their religious faith.

The Beijing government sentenced a 76-year-old Protestant leader to 15 years in prison for the "high crime" of distributing Bibles. Where do you get a Bible in China? There is a lot of talk about how, today, the Chinese Government permits the printing of Bibles. That is true. They set a quota every year. They allow a certain number to be printed, but they can only be distributed in churches, in places of worship which are officially recognized, sanctioned and registered by the Communist government. That is how you get a Bible in China. So this man, 76 years old, was arrested for distributing Bibles illegally. He was sentenced to 15 years.

But it is controversial for us to condemn that with an amendment to the Department of Defense authorization. Somehow, it is controversial to deny visas to those who are perpetrating these kinds of atrocities against religious believers. I am sorry.

The Government then sentenced a 65-year-old evangelical elder to an 11-year

prison term for belonging to an unauthorized evangelical group. They sentenced a 60-year-old Roman Catholic priest to 2 years of "reeducation through labor" for unknown charges. He had previously spent 13 years in prison because of his refusal to renounce the Vatican. The 6-year-old Panchen Lama—the second highest dignitary in Tibetan Buddhism—has been detained for a year and a half, and his whereabouts are unknown. Scores of Tibetan Buddhists who refused to participate in the Communist Chinese sham enthronement of Beijing's "Panchen Lama" have been sent to prison. One leading Buddhist spiritual teacher committed suicide rather than to take part in the charade.

I have another chart I want to show you. These are simple news accounts that have occurred—all of them within the last 2 weeks. They are reports in the mainstream media during the last 2 weeks.

June 14, The Portland Oregonian reported that:

Chinese police interrogated and threatened three dissidents who urged President Clinton to press Chinese leaders on human rights during the summit. . . . Police ransacked the homes of Leng and Tang, confiscated the computers, and took the two to a local precinct.

This is occurring within weeks of the President's visit. Instead of things getting better, they are rounding up dissidents in preparation for the President's visit. That is how little they comprehend the value of human rights. That is how little they understand what our concerns are in this country. Instead of releasing dissidents, instead of encouraging free expression, they round them up.

I think we have all read about the unflattering book published in China about our President. What do they do? They round up the books and don't let the books be in the bookstores when our President visits. That is China today.

On June 18, the Far Eastern Economic Review reported that, "Beijing warned the Vatican not to use the Internet or other media channels to interfere with China's religious affairs policies." This is June 18. So it is very current in what the Chinese Government is saying, warning the Vatican not to use the Internet to interfere with their internal, domestic, religious affairs policies.

On June 16, the New York Times reported on "an hour-long documentary on President Jiang Zemin's state visit to the United States last year." And it continues. On June 16, the New York Times reported that the Japan Economic News Wire reported that, "In the run-up of President Bill Clinton's visit to China, a veteran Chinese dissident has been indicted for helping another activist escape to Hong Kong."

Once again, do you know what gets the publicity? The four, or five, or six high-profile prisoners—I will not use the word "release" because they are

not released, they are exiled. They are allowed out of prison and sent to the United States. They said, "Don't return." This administration would like to say that is a victory for human rights? We used to say that was a travesty of human rights, if you were released from prison, exiled from your country, and not allowed to go back to your homes and families. This is hailed as a victory for human rights. Think about the five or six released. Just remember. Right now, in preparation for the President's visit, they are rounding up the dissidents so there won't be anything that might be embarrassing to the Chinese Government or to the President. Freedom is embarrassing, you know.

June 15, the Asian Pulse reported:

U.S. Ambassador to China, James Sasser, said today that many of the sanctions imposed on China by the United States after the 1989 Tiananmen Square massacre could be lifted in the "not too distant future."

The only reason I put this quote in from the Asia Pulse is that we would be giving these signals out, that our Ambassador would be giving these signals out, in view of—this is what they are doing. They are cracking down, they are rounding up the dissidents, they are persecuting believers, and we say we are going to lift the sanctions that were imposed after the massacre.

On June 15, the South China Morning Post reported that, "Dissidents in several areas, including Shanghai and Weifang in Shandong Province and Xian, the first stop for President Clinton, have complained of harassment. Incidents include home raids, detention, telephone tapping, and confiscation of computers."

I suppose the appropriate thing when you have a visit of the major heads of states, you clean up the streets, paint the buildings, you put your best foot forward, and put your best face on. But the way the Chinese Government views it is, round up anybody that might say something that could be contrary to the party line.

I am going to go back. This is back to June 6. The New York Times reported that "a bishop in the underground Catholic church has been arrested." This received about 2 inches of print in the New York Times. When Wei was released, it was banner headlines. But when the underground bishop was arrested, it got about 2 inches on page A4 of the New York times. But at least it was there.

If you will take note, the American people can see that this is what is ongoing.

When I have the opportunity to offer this amendment—and I will—when the Senate has an opportunity to work its will on this amendment, I will urge my colleagues to vote in favor of this amendment, controversial though it has been deemed, that passed the House of Representatives with over 350 votes, and, in so doing, to send a clear and unmistakable message to the Chinese Government that religious persecution is repugnant, reprehensible, and

that such practices will have consequences.

I remind you once again that this amendment simply says: We condemn such practices. Not only do we condemn them, to the extent that we are able to identify those who are involved in those practices, we are not going to sanction your travel to this country by granting you a visa.

I don't know how well it can be enforced. I know there are human rights groups out there that monitor what is going on in China. I believe that for government officials, which have an egregious record of religious persecution, that we can identify them when credible information can be brought forward. The Secretary of State can make that determination. And it will send a good and solid signal that this is an important issue to the American people, which would deny them the right to travel to this country.

Were I permitted to offer an additional amendment that I filed originally back on May 20—a month ago—I would offer it were I able to today.

It is, once again, one of those amendments that mirrors the language passed by the House of Representatives several months ago by overwhelming bipartisan margins. This particular language passed 354 to 59. I can't offer it today because it has been regarded as controversial. This is what it would do. It would direct the President to instruct the United States representatives to vote against taxpayers' subsidized loans to the People's Republic of China.

The second thing it would do is, it would require United States directors at United States financial institutions, like the IMF and the World Bank, to vote against concessional loans to the People's Republic of China, and it defines concessional loans this way: as those with highly subsidized interest rates, a grace period for repayment of 5 years or more, and maturities of 20 years or more.

This is just not something that I offer lightly. I think the facts indicate that the People's Republic of China today has a tremendous infusion of capital, the private sector primarily. In the international sector, they have great infusions of capital. They have an economy that is growing two or three times as fast as the U.S. economy. Given the human rights record of China, it is unconscionable for us to require United States taxpayers to subsidize loans to the People's Republic of China. They have enjoyed ready access to international capital through commercial loans, direct investments, sales of securities, bond sales, and through foreign aid.

International commercial lending to the People's Republic of China had \$49 billion in loans outstanding from private creditors in 1995. Capital is certainly available without the taxpayer subsidizing it.

Regarding international direct investment to the People's Republic of

China, from 1993 through 1995 it totaled \$97 billion. In 1996 alone, there was \$47 billion directly invested in China securities. The Chinese securities—the aggregate value of outstanding Chinese securities currently held by Chinese nationals and foreign persons is \$175 billion. From 1993 to 1995, foreign persons invested over \$10 billion in Chinese stocks.

My point is that there is ample, there is ready, capital available for Chinese economic development.

International assistance and foreign aid: The People's Republic of China received almost \$1 billion in foreign aid grants, and an additional \$1.5 billion in technical assistance grants from 1993 through 1995, and in 1995 received \$5.5 billion in bilateral assistance loans, including concessional aid and export credits.

Mr. President, despite China's access to international capital and world financial markets, international financial institutions, which have annually provided it with more than \$4 billion in loans in recent years amounting to almost a third of the loan commitments of the Asian Development Bank and 17 percent of the loan approvals by the International Bank for Reconstruction and Development in 1995, we are asked to continue to subsidize these loans to Chinese corporations.

I think it is time that we cease doing this. China borrows more from the International Bank for Reconstruction and Development and the Asian Development Bank than any other country in the world, and loan commitments from those institutions to China quadrupled, from \$1.1 billion in 1985 to \$4.3 billion by 1995. In spite of the fact that you have all of this ready capital available for economic development in China, they are utilizing these subsidized loans at an ever greater rate.

Mr. President, I believe strongly that America's taxpayer dollars should not be used to create unfair advantages for industry's control by foreign governments. However, when the World Bank lends money to Communist Chinese industries out of its Poverty Fund, that is exactly result that we have.

I say to my colleagues that these loans are not only contrary to American interests and the purposes of the Poverty Fund, but they are also unnecessary, given Chinese industry's ready access to foreign investment, including \$48 billion in loans from private creditors in 1995 and \$97 billion in international direct investments from 1993 to 1995, and \$10.5 billion in investment in Chinese stocks by foreigners from 1993 to 1995, and billions more in various types of foreign investments. I find it inappropriate that the World Bank and the Asian Development Bank loaned China \$4.3 billion in both 1995 and 1996, and of the 1995 loan amount, \$480 million of it, almost 1/2 billion of it came from the World Bank's poverty fund, its concessional loan affiliate, the International Development Association. As concessional loans, these

funds are by definition below market and therefore subsidized by those who fund it—the American taxpayer.

This amendment will address what I call the "Chinese wall," the wall that was erected between economic and political considerations. Inherent in the bylaws of international financial institutions are provisions that direct the officers of these institutions to neither interfere in the political affairs of any member nor shall they—and I am quoting from their bylaws, shall not interfere in the "political affairs of any member, nor shall they be influenced in their decisions by the political character of the members or members concerned. Only economic considerations shall be relevant to their decisions."

So in the bylaws of these lending institutions, international lending institutions, there is a prohibition from considering the political practices of the applicant. I believe that it is these bylaws that provide a shield behind which numerous international financial institutions continue to provide financing to countries, specifically Communist China, that engage in the most egregious abuses of human rights; so long as they carry out the economic recommendations agreed upon, they can receive the loans. They can continue to receive these subsidized loans. I think that is wrong. I think that should be a consideration, these human rights abuses that are ongoing.

This amendment clearly states that "repressive and oppressive" regimes should not get a loan. In addition, this amendment clearly sets out substantive principles that should be adhered to by any U.S. national conducting an industrial cooperation project in China.

In other words, while it is a sense of Congress and is nonbinding, the amendment would lay out certain principles by which American corporations conducting business, industrial cooperation in China should adhere.

During my time in China and since, and visiting with large American corporations doing business in China, I was continually told that an American presence in China would have the effect of transmitting American values. If we just allow these companies to set up shop, sell their products, or put the components together and export them back to our country, because we have a \$50 billion trade imbalance with China, if we will do that, if we will increase trade and allow companies to operate there, the result will be a quicker liberalization and a more rapid democratization of China.

That is what I have heard for the last 5 years since I came to Congress. I haven't seen it happen. In fact, what I saw was corporate officials who said we have a cozy relationship with Beijing and we have to maintain that cozy relationship in order to do business in China. And so instead of reflecting American values and human rights values and concern about repression and oppression, instead of concern about

religious persecution, instead of concern about coerced abortions and American officials standing up and denouncing the Beijing government for these ongoing practices, they say in order to do business over here, we can't say those kinds of things; we can't take those kinds of stands, but let us operate and somehow these values, which we hold deep in our heart—but, unfortunately, they are too often hidden—are going to be transmitted.

And so we would just simply, with a sense of the Congress, lay out some principles that I think are important for American companies to utilize if we are, in fact, to help spark the kind of change that we all want to see in China.

So we suggest suspending the use of any goods, wares, articles, or merchandise that the U.S. national has reason to believe were mined, produced, or manufactured by convict labor or forced labor, and refuse to use forced labor in the industrial cooperation project.

Pretty good principle to start with, don't you think, for our companies operating in China to try to monitor better—some of them are doing a good job, some of them are not doing a good job at all, but to try to monitor those products that are coming from slave labor camps and to pledge they will not use those products.

Secondly, to seek to ensure that political or religious views, sex, ethnic or national background involvement in political activities or nonviolent demonstrations, or association with suspected or known dissidents will not prohibit hiring, lead to harassment, demotion, or dismissal, or in any way affect the status or terms of employment in the industrial cooperation project.

The second principle of the sense of the Congress would simply say that because somebody spoke out and expressed themselves on a political issue which might be contrary to the party line, they should not be fired or be penalized because of that, not be not allowed to work or have employment.

Then we suggest that these projects should discourage any Chinese military presence on the premises of any industrial cooperation project which involves dual-use technologies.

The news accounts this morning which said that China has refused to agree to an agreement to retarget their missiles, 13 of which are currently aimed at American cities, I think underscores the importance of that principle for American companies doing business in China, that we are not going to have a military presence on those premises that involve dual-use technologies.

And then we suggest that they provide the Department of State with information relevant to the Department's efforts to collect information on prisoners for the purpose of the Prisoner Information Registry. If American companies want to make a difference in operating in China, that is

something they can do, help our State Department monitor the human rights abuses that are ongoing.

And then finally we suggest they should promote freedom of expression, including the freedom to seek, receive, and impart information on ideas of all kinds. Nonbinding for the private sector but principles, I think, that lay out what our companies should be utilizing in their efforts to work in China.

Mr. President, this Chinese wall that has prohibited consideration of political practices and human rights abuses must come tumbling down. This amendment would help do that.

And then if we accept this amendment when it is offered, and I hope we will and I think we will—we should—it will spark a rethinking inside international financial institutions and our own Treasury Department. This rethinking should be based on the United States not wanting to reward repressive regimes, countries like China that commit the most egregious of human rights abuses with taxpayer-subsidized loans.

Our watchwords on this floor have been and should be "freedom and liberty." Part of those watchwords is that we not reward regimes with concessional loans, subsidized by the American taxpayer, when these kinds of practices continue. So I am going to urge, when I have the opportunity to offer this amendment and have a vote on that amendment, my colleagues to take that stand, not because the President is going to China but because it is the right thing to do, because it was the right thing to do last year when the House of Representatives voted on it. It is the right thing for the Senate to do.

I wish we could have voted on it on May 20 when I filed the amendment. It in no way is meant to embarrass the President. It is an effort to reflect the values of the American people and, as he takes this trip, to buttress his ability to stand in Tiananmen Square and say, "Congress thinks this is important; the American people believe this is important."

Mr. President, if I were able to, I would offer a fourth amendment—I had intended to offer a fourth amendment, and when I have the opportunity, I will. It is an amendment I filed June 16. It also is an amendment that mirrors language that passed overwhelmingly on the floor of the House of Representatives. The vote was 401 to 21—401 to 21. It would authorize an appropriation of \$22 million for Radio Free Asia and Voice of America for fiscal year 1999. This amendment was deemed controversial, but it passed 401 to 121. It would authorize \$22 million for Radio Free Asia and Voice of America.

The President's fiscal year 1999 budget request for Radio Free Asia was \$19.4 million. This amendment would surpass the President's request by almost \$3 million. Radio Free Asia funding comes out of the United States Information Agency, which is a related

agency of the State Department. It is funded through the Commerce-State-Justice appropriations bill.

The second thing the amendment would do would be to facilitate a 24-hour-a-day broadcast to China in the Mandarin, Cantonese, and Tibetan dialects as well as other major dialects, including those spoken in Xinjiang.

Let's put that chart up.

Additional funding for RFA, Radio Free Asia, would also facilitate construction of transmitters in the Mariana Islands and accelerate the improvements to the Tinian Island transmitters so they will be completed by June 30, 1998, instead of January 1, 1999.

This map of China is pockmarked with little orange labels. Each one of those orange labels represents a location in China in which the citizens of China have managed to get correspondence out to Radio Free Asia, expressing their appreciation for the work that Radio Free Asia does. The greatest tool that we have in bringing about change in China is to get the truth, to get the message of democracy and freedom, in to the Chinese people. This amendment will be a step toward doing that.

If passed, it will assist with the creation of a Cantonese language service with 16 journalists, including 3 based in Hong Kong and 2 roving between the United States and east Asia. The amendment would require the President to report on a plan to achieve continuous broadcasting in Asia within 90 days.

I believe this is a simple amendment to understand. It encourages freedom in China, which we all want—freedom in China. We disagree sometimes on methods and strategies, we see different ways to achieve it, but I do believe all my colleagues in the U.S. Senate want to see a free China.

I want to say to my colleagues, we should all agree also that reaching Chinese listeners in all dialects, encouraging the free flow of information, can and will serve as the greatest means by which we can get the truth into China. It will be the surrogate media; it will be the substitute for the absent free media in Communist China today.

A fundamental prerequisite to political and economic freedom is an informed citizen. However, the Communist Chinese Government has accordingly made censorship and control of information available to its citizens its top priority. The Communist Chinese Government maintains control by simply not letting the people know. It is getting harder and harder to do, because of the Internet and other means of international communications, but they go to great lengths to keep the Chinese people from knowing the truth. Radio Free Asia plays a fundamental role, a vital role, in getting the truth in to the citizens of China. This amendment will help to make that a priority.

In addition to China's traditional methods—controlling the media, suffocating secrecy, and misinformation,

massive use of wiretapping, informants, and other forms of surveillance to restrict private sources of accurate information—the regime is building an infrastructure for Internet use that will permit the state to filter and monitor information on this freest communication media. It is a perfect example of the priority Communist China places on the political control over economic development. The New China News Agency even censors commercial news from Dow Jones and Reuters.

The United States still supports the free flow of information around the globe. This is one means by which we can underscore that. That is what this amendment does. In fact, people now free of communism's grip on the now-defunct Soviet Union and Warsaw Pact attest to the role that Radio Free Europe and Radio Liberty played as surrogate news services in these countries. These relatively inexpensive, independently run news services served as the best substitute for the free media that was absent in the old Soviet Union. Similarly, Radio Free Asia provides cost-effective surrogate services to permit the free flow of information to the Chinese people.

I have come down to this floor time and time again to explain why I believe this administration's policy toward China is misguided. I do not favor a policy of isolation; I favor a policy of true engagement; I fear this administration's policy has not been one of engagement; it has been one of appeasement. We have not engaged them on human rights, we have not engaged them on national security, we really haven't engaged them on trade, because we have a \$50 billion trade deficit with this Government. But while I have many disagreements with the President, I applaud his recent remarks concerning Radio Free Asia at the National Geographic Society in a speech last week, I believe it was. In the President's own words, the President said this:

I have told President Jiang that when it comes to human rights and religious freedom, China remains on the wrong side of history. . . . In support of that message, we are strengthening Radio Free Asia.

It needs to be strengthened. I appreciate the President saying that, and I believe, because of that, he would be glad to support this amendment. I applaud his words, because Radio Free Asia is broadcasting under the banner of truthful information to the lingering Communist lands—specifically, China—and it has been too often underfinanced by this Congress, they have been undermanned, and they have been overworked.

I believe that Radio Free Asia's mission is to do for Asia what Radio Free Europe did for Eastern Europe. That mission is to broadcast the truthful information to countries where the Communist governments ban all free expression by their so-called domestic news services. The mission of Radio Free Asia is simply to replicate the

kind of radio services, in the Communist countries it targets, that those Communist countries would have, were they really free countries, were the government to allow it, were there not government censorship.

I live in northwest Arkansas. The population in Benton and in Washington Counties in northwest Arkansas is probably 250,000 people. In those two counties we have over 20 independently-owned radio stations; population 250,000. I was in the radio business. I got out because that is too competitive—20 radio stations with 250,000 people—but that is the free market. That is the right of every American, every entrepreneur—to go out and scrape and take a loan out, if need be, apply with the FCC, get a license, get a building permit, build that tower, and start a radio station. That is what we did, from ground up. We have 20 radio stations now in that two-county area.

When I was in Beijing in January—Beijing, China, one of the largest cities population-wise in the world—there was not one independent, free, operating radio station. That says about all that needs to be said about whether China is really making progress, whether China is on the right side of history. The President was right, they are on the wrong side of history. In all of Beijing, not one independent newspaper. I get mad at the newspapers sometimes in Arkansas. They say things I don't like, or they take a position I don't agree with. Boy, when I look at the alternative, when I look at China today and I think about a city in which all of the newspapers are controlled by the Government, I thank God for that free press. Radio Free Asia, increasing the funds, providing them the resources, ensuring that they are going to be broadcasting in all of the dialects in China and broadcasting around the clock, is the best single step that we can take to bring about the wanted change in China.

Mr. President, current U.S.-China policies have been debated, are being debated, and will continue to be debated by this Congress. Members on both sides of the aisle differ on the best paths and avenues to promote and secure freedom and liberty for the Chinese people, but this amendment, although it has been called controversial this morning, although I have not been allowed to offer it this morning, even though the vote would occur next week, this amendment is not controversial. This amendment simply says the greatest means we have of changing China is to get information in.

The amendment is not pro-China or anti-China. The amendment is pro-freedom. I am perplexed that we cannot offer it today. The Senate, the Congress, the President, the American people need to send a clear message to China and other Communist countries that the U.S. Congress will take all necessary steps to ensure that freedom has a chance to blossom.

I am bothered, frankly, that as we have seen the preparations for the President's trip, it has become a microcosm of the broader China policy. Originally, the President wanted to go to China in November. China said, "We want you to come in June." That is the anniversary, the ninth anniversary, of the Tiananmen massacre, when hundreds of unarmed, innocent democracy protesters were gunned down by the Chinese Government. And the Chinese Government says, "We want you, Mr. President, to come in June." The President agreed.

The President originally was going to stop in Japan on this trip, but the Chinese Communist Government objected: "We don't want you to stop in Japan, we don't want you to stop anywhere, because President Jiang, when he went to the United States, went directly to the United States; that is exactly what we want you to do because we are equals." The President said, "OK, we won't stop in Japan, we'll make a direct trip."

The President originally was going to have a shorter trip. The Chinese Government said, "President Jiang stayed 9 days in the United States, and we want a 9-day visit to China." We don't want to embarrass, we don't want a loss of face, so we conceded, we acquiesced.

The U.S. House of Representatives voted overwhelmingly, over 400, to say, "Mr. President, please don't be received at Tiananmen Square." That is what the elected representatives of the people of this country said, but the Chinese Government said, "This is where we give official receptions." We acquiesced. We didn't want to violate protocol. You know what I thought about protocol, I thought about that student, that portrait, that picture of that lone student standing in the way of oncoming tanks. Boy, did he violate protocol. Thank goodness he did. But we acquiesced once again, and the fact is, I can't find where we didn't acquiesce. It is not a policy of give and take. It is a policy of give and give.

These modest amendments, which I will some day be able to offer and on which we will have a vote—such as increasing the funding for Radio Free Asia—is a useful instrument for demonstrating, along with diplomatic and economic ties, concern for the well-being, concern for human rights. Basic human rights in China will always be an integral part of the foreign policy of this country. That is the debate that is ongoing: Are we going to have a foreign policy devoid of values that says trade at any price, or will we, as we always have done, say human rights matters and that values will be reflected in our basic policies of this country toward the nations of the world?

I look forward to the continuing debate, and I look forward to the opportunity that we will have to offer these amendments. I reiterate before I yield the floor, Mr. President, the timing of the offering of these amendments is

not to embarrass the President. These amendments were announced over a month ago. Most of them were filed a month ago and would have been offered a month ago had we had the DOD authorization on the floor a month ago. Timing is not to embarrass the President on the eve of his trip.

I might add that since they are being debated and will be voted on, either before or during the President's trip to China, I hope they will strengthen the President's hand, that they will give him a stronger argument to make on behalf of human rights as he visits with Chinese Government leaders. I hope the President will be able to point to these votes in the House and the Senate as he stands on Tiananmen Square, or as he makes his speech in the People's Congress and he says, "These are values that are important. Look at the votes in the U.S. Senate, look at what we are doing on Radio Free Asia, on human rights, on coerced abortions, on religious persecution. For the representatives elected by the people of my country, these are important issues, and I am going to speak about them." I hope the President will say this to the Chinese Communist Government leaders: "You may gag your people, but you cannot gag me, and I will speak for them."

Mr. President, I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I have listened with great interest to our distinguished colleague. The fervor of his beliefs and his goals is quite clear through the excellent delivery of his remarks.

We spoke yesterday, I in the capacity of assisting the distinguished chairman in trying to manage this bill. I think the Senator is aware of the fact that there are bipartisan objections to bringing up his amendments. The Senator has seen this letter, I presume?

Mr. HUTCHINSON. If the Senator will yield, I will respond to the Senator from Virginia. I only became aware only as you speak that there were bipartisan objections. Earlier today, on the other side of the aisle there were objections to bringing these amendments up today. I might add, these amendments were filed a month ago. As I spoke to the majority leader earlier this week, he was aware and it has been publicly reported these amendments were going to be offered to the DOD authorization.

The majority leader encouraged me to stay on Friday so I would be able to offer these amendments earlier as opposed to later. He encouraged me not to wait until Monday or Tuesday in the debate, but offer them today, Friday. It was my plan not to return to my home State so I would be able to offer these amendments today.

I am now aware there are objections, perplexing to me, obviously, because they passed by such margins in the House. Yes, I am aware there are objec-

tions. I am certainly no less committed to ensuring that these amendments will be debated and will be voted on. I think they are greatly important, and I think they are germane, and I think they are appropriate. I intend, when given the opportunity, to press for debate and for a vote.

Mr. WARNER. Mr. President, I thank our distinguished colleague. Certainly, I defer to the understandings that he has reached with our distinguished majority leader. Momentarily, I hope to be in consultation with him—Mr. THURMOND and I—on the phone, and I wonder if time permits the Senator to wait just for a brief period until we can clarify this.

In the meantime, Mr. President, I ask unanimous consent to have printed in the RECORD the "Dear colleague" letter which both Republicans and Democrats have indicated a desire not to have these amendments brought up, just for purposes of the Record.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,

Washington, DC, June 15, 1998.

DEAR COLLEAGUE: When the Senate returns to consideration of the DOD Authorization bill, S. 2057, we expect a series of amendments to be offered concerning the People's Republic of China. These amendments, if accepted, would do serious damage to our bilateral relationship and halt a decade of U.S. efforts to encourage greater Chinese adherence to international norms in such areas of non-proliferation, human rights, and trade.

In relative terms, in the last year China has shown improvement in several areas which the U.S. has specifically indicated are important to us. Relations with Taiwan have stabilized, several prominent dissidents have been released from prison, enforcement of our agreements on intellectual property rights has been stepped up, the reversion of Hong Kong has gone smoothly, and China's agreement not to devalue its currency helped to stabilize Asia's economic crisis.

Has this been enough change? Clearly not. But the question is: how do we best encourage more change in China? Do we do so by isolating one fourth of the world's population, by denying visas to most members of its government, by denying it access to any international concessional loans, and by backing it into a corner and declaring it a pariah as these amendments would do?

Or, rather, is the better course to engage China, to expand dialogue, to invite China to live up to its aspirations as a world power, to expose the country to the norms of democracy and human rights and thereby draw it further into the family of nations?

We are all for human rights; there's no dispute about that. But the question is, how do we best achieve human rights? We think it's through engagement.

We urge you to look beyond the artfully-crafted titles of these amendments to their actual content and effect. One would require the United States to oppose the provision of any international concessional loan to China, its citizens, or businesses, even if the loan were to be used in a manner which would promote democracy or human rights. This same amendment would require every U.S. national involved in conducting any significant business in China to register with the Commerce Department and to agree to abide by a set of government-imposed "business principles" mandated in the amend-

ment. On the eve of President Clinton's trip to China, the raft of radical China-related amendments threatens to undermine our relationship just when it is most crucial to advance vital U.S. interests.

Several of the amendments contain provisions which are sufficiently vague so as to effectively bar the grant of any entrance visa to the United States to every member of the Chinese government. Those provisions not only countervene many of our international treaty commitments, but are completely at odds with one of the amendments which would prohibit the United States from funding the participation of a great proportion of Chinese officials in any State Department, USIA, or USAID conference, exchange program, or activity; and with another amendment which urges agencies of the U.S. Government to increase exchange programs between our two countries.

Finally, many of the amendments are drawn from bills which have yet to be considered by the committee of jurisdiction, the Foreign Relations Committee. That committee will review the bills at a June 18 hearing, and they are scheduled to be marked-up in committee on June 23. Legislation such as this that would have such a profound effect on U.S.-China relations warrants careful committee consideration. They should not be the subject of an attempt to circumvent the committee process.

In the short twenty years since we first officially engaged China, that country has opened up to the outside world, rejected Maoism, initiated extensive market reforms, witnessed a growing grass-roots movement towards increased democratization, agreed to be bound by major international non-proliferation and human rights agreements, and is on the verge of dismantling its state-run enterprises. We can continue to nurture that transformation through further engagement, or we can capitulate to the voices of isolation and containment that these amendments represent and negate all the advances made so far.

We hope that you will agree with us and choose engagement. We strongly urge you to vote against these amendments.

Sincerely,

Craig Thomas, Chairman, Subcommittee on East Asian and Pacific Affairs, Committee on Foreign Relations;

Frank H. Murkowski, Chairman, Committee on Energy and Natural Resources;

Chuck Hagel, Chairman, Subcomm. on International Economic Policy, Committee on Foreign Relations;

Joseph R. Biden, Jr., Ranking Member, Committee on Foreign Relations;

John F. Kerry, Ranking Member, Subcommittee on East Asian and Pacific Affairs, Committee on Foreign Relations;

Gordon Smith, Chairman, Subcommittee on European Affairs, Committee on Foreign Relations;

Rod Grams, Chairman, Subcommittee on International Operations, Committee on Foreign Relations;

Charles S. Robb, Ranking Member, Subcommittee on Near East/South Asian Affairs, Committee on Foreign Relations;

Dianne Feinstein, Ranking Member, Subcommittee on International Operations, Committee on Foreign Relations;

Joseph I. Lieberman, Ranking Member, Subcommittee on Acquisition and Technology, Committee on Armed Services.

Mr. WARNER. I will have an opportunity to visit with my distinguished

friend momentarily. I thank you very much for the opportunity to do so.

Mr. President, I see the presence of the former distinguished majority leader, a member of the Armed Services Committee. I think he desires to seek recognition.

So I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Virginia, Mr. WARNER. I have some remarks, but they are not on the bill, and I will be happy to wait until others have had a chance to speak on the bill, if it is so desired. I wanted to address some remarks to West Virginia's birthday which is on the morrow and also to Father's Day, which is on Sunday. But I will be very happy to delay my remarks until a later hour, if I can just get some indication of when I might be able to have the floor. I yield to the distinguished Senator from Michigan, if he can enlighten me on this point.

Mr. LEVIN. Mr. President, I wonder if I might just have the floor for a few moments to comment on the remarks of our friend from Arkansas. It won't take me more than 2 or 3 minutes, if he can yield the floor for that purpose. I ask unanimous consent that I be yielded 5 minutes at this time and then the floor return to the Senator from West Virginia.

Mr. THURMOND. Mr. President, I so ask.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, I will address our friend from Arkansas first. Let me add my comments to the Senator from Virginia. We were just informed last night that this bill was going to be brought back to the floor. We expected there would be the resolution of two appropriations bills before this bill came to the floor. We didn't know when the bill would come back until late last night.

As the Senator from Virginia has indicated, there was a "Dear Colleague" letter circulated indicating objections to any consideration of amendments relative to China, specifically those that might involve visas and other things in that letter, of which I am sure the Senator has a copy.

In addition, there is a specific objection which the chairman of the Subcommittee on East Asian and Pacific Affairs, as indicated in his letter to the majority leader, to any setting aside, or to quote him: "I object to any unanimous consent request designed to come to a time agreement on or to bring up such an amendment." And the amendment that he is referring to is any amendment in this dealing with the People's Republic of China.

So as one of the managers of the bill here, the minority manager, I have the responsibility, as does the manager on the majority side, to protect Members when there are unanimous consent requests, knowing of objections to those requests.

I, too, join our good friend from Virginia in expressing regret to the Senator from Arkansas for his inconvenience, but we were just informed last night. We were never asked whether or not there would be agreement to setting aside amendments and so forth so that the amendment or amendments of the Senator from Arkansas can be brought up.

Having said all that, there is at least one of these amendments which I am hoping, perhaps, we might be able to get agreement on before this day is over; that is the fourth amendment, which has been dealt with by the Foreign Relations Committee. Unlike the first three amendments, which have not been, the fourth amendment, I understand, has been dealt with by the Foreign Relations Committee. Perhaps we could get that amendment cleared before the debate is over today. We would have to go back to the signers of these letters with these objections in order to accomplish that. But I surely would like to accommodate our friend from Arkansas, if we can, at least to that extent.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. I thank my distinguished colleague. Momentarily, a telephone message or conversation will take place with the distinguished majority leader, and quite likely, the writers of that letter. So we may have further developments here shortly, I wish to advise my colleague, and the distinguished Senator from Arkansas. I know you have a pressing need to return home, and we are going to try and accommodate everybody as much as we can.

Mr. President, I see the presence of a distinguished member of the committee here.

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Virginia, Mr. WARNER, for his kindness. And I also thank the distinguished Senator from Michigan, Mr. LEVIN, for his consideration and courtesy and kindness as well.

HAPPY BIRTHDAY, WEST VIRGINIA

Mr. BYRD. Mr. President, on June 20, 1863, in the midst of the great Civil War, in which father fought against son and brother fought against brother, a new star in the constellation that we see on that flag was born. It was the 35th star. The great State of West Virginia became a separate government. Its motto, quite appropriate, considering the history of its birth, is "Montani semper liberi"—"Mountaineers are always free." And so I salute my State on its birthday, which will be on tomorrow, as I said; 1863–1998, 135 years, its 135th birthday. Happy Birthday, West Virginia!

Mr. President, I invite my friends in the Senate to visit West Virginia.

When I was in the State legislature, 52 years ago, we had only 4 miles of divided four-lane highways. Think of it—4 miles of divided four-lane highways in all of West Virginia, 52 years ago.

Then commenting on that fact was Raul Tunley, writing in the Saturday Evening Post of February 6, 1960, when he said, with reference to West Virginia's highway system, that it was not to be compared with the highway systems of its neighboring States. His exact words were "Its [highway system] is decades behind that of its neighbors." That was 1960. I was in the Senate at that time, and those words were seared on my memory. "Its highway system is decades behind that of its neighbors."

Well, Mr. President, come to West Virginia now. Many times I have stopped in hotels and motels in West Virginia. I have met travelers from other States, tourists who have come to West Virginia to see its majestic mountains, its viridescent hills and its iridescent sunsets, and they have commented to me, glowingly, upon our highways, the highways that we now have in West Virginia, the State which Raul Tunley disparagingly wrote about in 1960, saying that "Its highway system is decades"—not years—"decades behind that of its neighbors."

Well, Mr. President, we in West Virginia welcome visitors from other States. I trust that Senators at one time or another will have traveled in West Virginia, and that they will have met its fine citizens and tested their hospitality and seen the beauties of nature, all of God's creation, in those mountains.

I have visited over 800 of the 1,000 post offices in West Virginia. So I have had an opportunity to get up the hollows and visit up the creeks and over the hills and in the mountains. I have had an opportunity to see much of West Virginia by virtue of my travels.

And interestingly, Mr. President, West Virginia's post offices, the names of communities and places in West Virginia, tell many stories. If you travel through West Virginia, you can go from Acme to Zenith, from Pax to War. You can sample Justice, Independence and Liberty without leaving your car, and you can drive in Harmony or Confidence, or, if traffic is bad, in Shock. You may even choose to settle in New Era or perhaps in Paradise. Maybe Friendly or Hometown is where you want to sink your roots.

On the other hand, Odd may suit your fancy, if Looneyville, Pickle Street, Pinch, Droop, or Left Hand fail to meet your requirements. These are all place names in West Virginia—towns, cities, and small communities whose names still reflect the hopes and humors of those who settled my quirky but wonderful home state.

Some of these new inhabitants clearly had been elsewhere, or perhaps had missed the homes they left behind, for the map of West Virginia reads like a world atlas. You can tour the sights of